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## Chernenko Dies at 73 After 13 Months in Office; Gorbachov, 54, Succeeds Him as Soviet Leader



Mikhail Sergeevich Gorbachov

### Party Choice Represents A Break With Old Guard

**MOSCOW** — The choice of Mikhail S. Gorbachov as the new Soviet leader to replace Konstantin U. Chernenko indicates that the Kremlin has finally decided to break from the succession of old guard leaders who have ruled the country for decades and to turn over control to a new generation.

Mr. Gorbachov, who turned 54 on March 2, is the youngest member of the ruling Politburo. After a spectacular rise in the Communist Party hierarchy, he was elected Monday as the Communist Party's general secretary.

For the past year, political observers here had considered Mr. Gorbachov to be the No. 2 man in the Kremlin. He took power Monday only four hours after Tass reported Mr. Chernenko's death in a transition that appeared to have been planned well in advance.

Mr. Gorbachov is said to epitomize a new generation of Soviet leaders — unscathed by party service under Stalin, well-educated and reared in the postwar years that saw major advances in living standards.

A law graduate from Moscow State University, Mr. Gorbachov has appeared as the apostle of change, anxious to shake up long-standing and sluggish Soviet economic practices and introduce modern management methods and new technology.

While every previous leader since the death of Stalin in 1953 had started the long climb to power by filling the jobs left vacant from purges and war, Mr. Gorbachov is firmly a postwar product.

He was 14 when World War II ended and did not join the Communist Party until 1952, the year before Stalin died.

"There is an entire generation that has missed out," a West European diplomat told United Press International in Moscow.

"The fact that they had an elderly and not publicly impressive leader has perhaps been a problem," the diplomat said. "There have been few windows of opportunity in recent years to travel to meet an American president."

Mr. Gorbachov has impressed Western leaders with his broad knowledge and polished manners in successive trips to Belgium, Canada, France, Portugal, West Germany, Italy and, most recently, Britain.

Dennis Healey, a former British foreign and defense secretary, observed during Mr. Gorbachov's trip to London in December: "This is a new style of Soviet leader — charming, with a very attractive wife, and absolutely straightforward."

Mr. Gorbachov impressed the British media and those Britons he met with his affable manner and willingness to engage in give-and-take discussion.

Prime Minister Margaret Thatcher said: "I like Mr. Gorbachov. We can do business together."

But she also noted that, while Mr. Gorbachov may be associated with a movement to reform the Soviet economic system, she did not perceive him as a liberal anxious to change Soviet society.

Mr. Gorbachov gave a measure of his self-confidence on that trip to Britain when he dropped plans to lay flowers at Karl Marx's grave and instead view the crown jewels.

Answering even difficult questions with ease in excellent English, he was firm on human rights issues. "You govern your society, you leave us to govern ours," he said.

Another aspect of the trip to Britain was the emergence of Mr. Gorbachov's wife, Raisa, who is trained as a philosopher. She won over Britons with smiles and fashionable clothes, which are rarely worn by older Kremlin wives.

Mr. Gorbachov's boldness contrasts markedly with the caution and distance displayed by his two predecessors, Yuri V. Andropov, who was 68 when he took over the leadership post, and Konstantin U. Chernenko, who was 72.

Mr. Gorbachov's swift rise to the top of the conservative Soviet leadership suggests that he is an orthodox politician, a tough fighter careful not to offend the old guard with radical views.

While he has called for "deep transformations" in the Soviet economy, it is not clear how far he supports economic reform.

Mr. Gorbachov's views on foreign affairs, where he has little experience, are even less well-known.

Along among top Politburo members, he has not had a collection of speeches and articles published in the Soviet Union.

In his public speeches, Mr. Gorbachov has made standard Kremlin attacks on the West but also emphasized détente in a way that suggests to some Western analysts that he favors limiting military expansion.

(Continued on Page 5, Col. 1)



Konstantin Ustinovich Chernenko, 1911-1985

### Tass Reports President Was Ill 'a Long Time'

**MOSCOW** — President Konstantin U. Chernenko, 73, who took power 13 months ago, died Sunday night. He was succeeded Monday as the leader of the Communist Party by Mikhail S. Gorbachov, Tass reported.

Mr. Chernenko died from complications of chronic emphysema, aggravated by a heart deficiency and cirrhosis of the liver, which the news agency said he had had "for a long time." He will be buried Wednesday in Red Square, the traditional resting place of Soviet leaders.

Mr. Gorbachov, 54, an economics specialist, will be the Soviet Union's fourth leader in 28 months and the youngest since Lenin.

His appointment as general secretary by the party Central Committee signals the emergence of a new generation of postwar Soviet leaders, observers noted. But it will not necessarily mean major changes in Soviet policy.

In an address to the Soviet public, carried by Tass, the Central Committee, the President of the Supreme Soviet and the government emphasized Monday what analysts interpreted as a determination to continue current foreign and domestic policies.

The state and party organizations said that the Soviet Union remained committed to constructive dialogue with the West but that it was determined to strengthen the country's defenses.

In Geneva, it was announced that U.S.-Soviet negotiations on nuclear arms would begin Tuesday as planned. (Page 4.)

Mr. Gorbachov is eventually expected to be named Soviet president as well as party leader but that must be done by the Supreme Soviet, the nominal parliament.

Although he has been a full member of the ruling Politburo only five years, the choice of Mr. Gorbachov was not surprising. Western diplomats and other observers had considered him to be the Kremlin's No. 2 leader.

The timing of the announcement, four hours after the announcement of Mr. Chernenko's death, made it clear that the succession "had been worked out in advance," a Western diplomat, who asked not to be identified, told The Associated Press.

Mr. Gorbachov had earlier been appointed chairman of Mr. Chernenko's funeral committee, a position that signaled he was the leading candidate for party secretary.

Tass announced the death of Mr. Chernenko almost 19 hours after he died, following a night of speculation prompted by programming changes on Soviet media, the playing of somber music on Moscow radio and the unexpected departure from the United States of a high-level Soviet delegation led by a Politburo member, Vladimir V. Shcherbitsky, as well as the departures of high-ranking delegations visiting West Germany and Yugoslavia.

Tass said an autopsy found that Mr. Chernenko had long suffered from "pulmonary emphysema, complicated by pulmonary and cardiac insufficiency."

It said the autopsy report, signed by Yevgeny Chazov, the chief Kremlin doctor, and nine other doctors, said: "The gravity of the condition was furthered by concomitant chronic hepatitis, which worsened into cirrhosis."

Tass said that Mr. Gorbachov would lead the 10 remaining members of the Politburo in mourning Mr. Chernenko. Mr. Chernenko led the mourning for his predecessor, Yuri V. Andropov, who died Feb. 9, 1984, as did Andropov for Leonid I. Brezhnev, who died Nov. 10, 1982.

Speculation that Mr. Chernenko was seriously ill began last summer, when he disappeared from public view for 54 days. Andropov had been absent for six months before his death.

In December, Mr. Chernenko failed to appear for the funeral of Defense Minister Dmitri F. Ustinov.

In mid-January, Soviet officials admitted that Mr. Chernenko was too ill to go abroad for a meeting of Warsaw Pact leaders, but they gave no indication of the nature or seriousness of the illness.

Mr. Chernenko was the oldest person to take over the Soviet leadership. The previous leaders were Vladimir I. Lenin, 1917-1924; Josef Stalin, 1924-1953; Nikita S. Khrushchev, 1953-1964; Brezhnev, 1964-1982; and Andropov, 1982-1984. Georgi M. Malenkov was party and government leader for one week in 1953, but he is not recognized by official Soviet chronologies. (UPI, AP, AFP)

### Many Questions Remain As 'Star Wars' Advances

**By Philip M. Boffey**  
*New York Times Service*

**WASHINGTON** — President Ronald Reagan's proposal for a system of space defense that includes ballistic missiles appears to be gaining strong momentum, even members of Congress and ex-

Both Republican and Democratic members of Congress expect that the president's Strategic Defense Initiative, known popularly as "star wars," will eventually become controversial in Congress. How soon this will happen is open to question, but no one has expressed a desire yet to cut back the program.

"There is an important underlying system and its potential implications are raising questions and causing tempers to flare as debate proceeds on the president's proposal to more than double the current annual spending on research, spending \$30 billion dollars on the research program over the next five years."

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(Continued on Page 5, Col. 1)

### Leaders Hail Chernenko For Return to Talks

**LONDON** — Foreign leaders paid their condolences Monday after the death of the Soviet president, Konstantin U. Chernenko.

Some praised him for a period of internal stability and for his decision to return to arms negotiations with the United States.

Among heads of government and state who said they would attend Mr. Chernenko's funeral in Moscow on Wednesday were Prime Minister Margaret Thatcher of Britain, Chancellor Helmut Kohl of West Germany, Prime Minister Rajiv Gandhi of India, President Mauno Koivisto of Finland, General Mohammed Zia ul-Haq of Pakistan and President Sandro Pertini of Italy.

President Ronald Reagan said he would send Vice President George Bush, Mr. Reagan said he would send Moscow a message of condolences.

The 35-nation European disarmament conference in Stockholm observed a minute's silence and suspended normal business for a day.

Javier Pérez de Cuellar, the United Nations secretary-general, paid tribute to Mr. Chernenko's "genuine interest in a peaceful solution of international problems."

A Chinese statement hailed Mr. Chernenko as an outstanding Soviet leader who had presided over an improvement in Chinese-Soviet ties. (Reuters, AP, UPI)

### Weapons in Space

**The 'Star Wars' Controversy**

ts outside the government ask whether it is putting the United States onto a new strategic course, the implications can be fully considered.

Critics fear that the president's search for a defense that would render nuclear weapons "impotent and obsolete" will fail and yet is already driving the world's military competition in new directions.

Although the Soviet Union is believed to be substantially behind in technology needed to put effective weapons in space, its leaders say that they will have to accelerate research in this area and that they will expand production of space weapons in response to Reagan's plan.

Strategic thinkers disagree sharply on whether the world will become safer or more dangerous as a missile-defense research program goes forward.

Top officials of the Reagan administration now say that in arms talks opening Tuesday in Geneva, the United States will try to keep a discussion on how the two superpowers could put space defense systems into effect — not on whether research and development programs could or should be limited in any way.

In Congress, the proposed defense

### Iran Bombs Near Baghdad In Escalation

**The Associated Press**

**BAGHDAD** — Iranian jet fighters rocketed and strafed residential areas in Baghdad on Monday, and Iraqi warplanes bombed Baghdad, a major city in western Iran, as the Gulf war again escalated.

At least 83 people were reported killed and more than 500 injured in the raids.

A few hours after an Iranian military communiqué announced the bombing, the Iranian national press agency, monitored in Cyprus, said Iran had accepted a proposal by the United Nations secretary-general, Javier Pérez de Cuellar, to halt attacks against civilian targets as of midnight Monday.

However, Iran's foreign minister, Ali-Akbar Velayati, said in a message to Mr. Pérez de Cuellar that Iran would continue retaliatory attacks "with full force" if Iraq opposed the cease-fire proposals.

The official Iraqi News Agency quoted an unidentified military source as saying "one Iranian jet fighter infiltrated across the eastern border in the morning and attacked the Fadhiliyah area," 18 miles (29 kilometers) east of Baghdad.

The report said the Iranian warplane was "intercepted by Iraqi jet fighters." The attack, according to the agency report, "wounded three children."

Iraq announced that its jet fighters raided a "large naval target," which usually means an oil tanker, in the Gulf, the second such raid in two days.

Witnesses reached by telephone in Baghdad said Iranian jets fired rockets and guns on the three residential areas of Kasra, Atash and Saddam city, east of Baghdad, killing at least 13 persons and wounding scores of others.

The Iranian military communiqué issued in Tehran and carried by the official Islamic Republic News (Continued on Page 2, Col. 7)

## The Post-Petrodollar Era: Japanese Investing Trade Profits Worldwide

**By Peter T. Kilborn**  
*New York Times Service*

**WASHINGTON** — An enormous tide of money, rivaling the "petrodollars" from OPEC's profits amassed in the oil crisis years, is rolling through the world economy at a rate of \$50 billion to \$100 billion a year.

The new money comes from Japan, and about half of it is landing in the United States, according to Japanese government authorities here.

It represents Japan's growing surplus in foreign trade, and a lot of the money is being invested in the Treasury securities issued to finance the Reagan administration's huge budget deficits.

"It's potentially the biggest single flow of capital in world history," said Brian Fernandez, chief investment officer of the New York branch of Nomura Securities, the Japanese investment firm.

"I see no diminution of this at all," said John F. Loughran, head of Morgan Guaranty Trust Co.'s operations in Tokyo.

The funds represent the nest eggs of Japanese consumers, who save more than 20 percent of their wages, and the profits of Japanese industry's conquest of world markets with automobiles, video recorders, cameras, and computers.

Japanese people turn much of their savings over to insurance companies, which try to outbid one another in offering consumers the highest possible return. The insurance companies, like Japanese corporations and from the unusual condition of a world economy that is driven by the unique characteristics of the U.S. economy — its exceptionally strong dollar, its federal budget deficits, its relatively high interest rates, and its fleeing elsewhere for greater returns and cause further dollar declines and a recession.

Economists also suggest a quite different possibility, however. To make investments in the United States, the Japanese have to sell yen and buy dollars.

In helping to keep the dollar up and the yen down, the Japanese help protect the price advantage of the goods their industries export to the United States. As a result, Japan's surplus in trade with the United States — \$44.4 billion last year — would persist and continue to provide new funds for the Japanese to invest in the United States.

Last May, after prolonged negotiations, the Treasury Department persuaded the Japanese to open their domestic investment market to foreigners and to liberalize banking regulations that held interest rates well below those prevailing in the world market.

As a result, the administration expected the dollar to decline somewhat as demand rose for investment in yen-denominated holdings.

Instead, the yen has declined and the dollar is stronger than ever largely because the Japanese "started looking at the very high yields they could get in the United States," according to Mr. Loughran at Morgan Guaranty.

record trade deficits. Japan has been the principal beneficiary of these developments. It is becoming the world's biggest creditor, while the United States, once the biggest creditor, is becoming the biggest borrower.

C. Fred Bergsten, director of the Institute for International Economics, a research organization in Washington, predicts that, at the current rate of Japanese investment abroad and U.S. government borrowing, the United States will owe the rest of the world \$1 trillion five years from now and that the rest of the world will owe Japan \$500 billion.

But, he said, sharp declines of either the dollar's value or U.S. interest rates could send the Japanese

### INSIDE

- Vietnamese troops overran the last guerrilla base in Cambodia. Page 2.
- Prime Minister Papandreu's move to block the re-election of President Caramanlis is seen as an appeal to the left. Page 3.
- The dollar fell sharply on Monday, triggered by a drop in U.S. interest rates. Page 17.
- An Egyptian family gained a controlling interest in the British company that owns Harrods department store. Page 19.
- Going it alone: The Nigerian government's austerity policies test the nation. Page 7.

### Israel's 'Iron Fist' Strengthens Lebanese Resolve

**By John Kifner**  
*New York Times Service*

**MARAKAH, Lebanon** — Israel's crackdown in southern Lebanon, aimed at curbing attacks by Shiite Muslims on Israeli troops, is deepening a resentment among the population that could strengthen support for anti-Israeli guerrillas.

The new policy, called "iron fist" by some Israeli leaders — surrounding villages, rounding up male inhabitants and conducting house-to-house searches for weapons — is also fostering a growth in the popularity of an Iranian-style Islamic fundamentalism.

These conclusions emerge from interviews with many residents and foreigners, including United Nations personnel, during a three-day tour of the region last week. The Israeli Army has barred journalists based in Beirut from entering the territory it controls, but several correspondents, including this one, were able to slip through the Israeli lines.

The Israelis, who invaded Lebanon in June 1982, announced a three-stage withdrawal in mid-January. They imposed the stricter policy after the first pullback in February was followed by an upsurge in attacks on Israeli soldiers.

The region has now become a battleground, a place of guerrilla attack and Israeli retaliation, a scene of fear and violence under the bright, early spring Mediterranean sky.

Israeli soldiers huddle along roadsides by huge earthen mounds heaped with barbed wire and screens, or crouch over their guns when they venture forth in armored caravans.

The roads are little traveled and empty by midafternoon; residents say they are fearful of being seized or shot by the Israelis.

The hostility from the Shiites is a significant turnaround. In the months before the 1982 Israeli invasion of Lebanon, residents of the area east of Tyre had turned increasingly against the Palestinian guerrillas who then dominated it; they welcomed the Israelis with rice and flowers.

But because of a series of incidents with the Israelis, many Shiites have turned against them.

Attempts by the Israelis to maintain control, including cutting off roads, which local residents say has devastated the local economy, have only led to mounting guerrilla attacks.

"When they came here, they had a 90-percent chance to be the friends of the people," a well-to-do merchant in Tyre said this week. "But they had to show they were the masters."

Villagers say recent actions have made things even worse. People interviewed in both Sila and Marakah said Israeli troops had ruined their stores of food by throwing the supplies of grain, sugar and flour together so they could not be used.

Israeli officials said their raids were designed to turn the population against the guerrillas by making the cost of supporting them too high. But the Israeli policy seems to have increased the militancy of the Shiites, whose religious fervor is a unique regard for suffering.

A Western security source with long experience in southern Lebanon said the crackdown (Continued on Page 2, Col. 5)



A woman whose house was demolished by the Israeli Army in south Lebanon angrily vows to fight the occupation.



## Israel Attacks Village, Kills 24 Guerrillas

TEL AVIV — The Israeli Army said Monday that it killed 24 guerrillas and fought a gunbattle with Lebanese soldiers during an attack on a Shiite village in southern Lebanon.

The raid came as Israeli leaders vowed to strike back strongly after a suicide car bomb attack that killed 12 Israeli soldiers and wounded 14 near the Lebanon-Israel border Sunday.

A military spokesman said 10 Lebanese Army soldiers were detained during Monday's operation that began when Israeli troops moved into the village of Zarziyah, about a half mile (one kilometer) beyond their front line in territory nominally controlled by the Lebanese Army.

The Lebanese Army was warned not to interfere, but it opened fire on the advancing Israelis, the

spokesman said. He added, "It was only then we fired back."

The guerrilla death toll was the highest since Israel began its "iron fist" policy against Shiite villages around Tyre last month in an attempt to curb attacks on its troops.

Lebanese military sources in Sidon said heavy fighting erupted at dawn when Israeli infantry advanced on Zarziyah and Arzay. Israeli tanks shelled the villages and Lebanese Army positions nearby, wounding 12 villagers, the sources said.

Lebanese troops returned fire but officers in Sidon, sending reinforcements, lost contact with Zarziyah soon afterward, the sources said.

They said that helicopters landed Israeli troops at the villages at dawn. Villagers helped the Lebanese Army fight the Israelis, Beirut

radio quoted army sources as saying.

Witnesses later said that Israeli troops were sealing the approach roads to the two villages.

Israeli leaders rejected calls for a quick withdrawal from Lebanon after the car bombing. Leftist and centrist parties presented parliamentary motions urging an immediate pullback, and black-bordered newspapers published editorials urging Israel to get out of Lebanon.

Defense Minister Yitzhak Rabin responded by pledging that the army would toughen its anti-Shiite campaign and continue its planned phased withdrawal, expected to be completed by autumn.

"Shiite terrorism is the only one in the world which has a stockpile of maniacs ready to commit suicide," he said.

Prime Minister Shimon Peres said that terrorism would not be

allowed to dictate security policy.

The Israeli Army said that Monday's attack was based on intelligence that local Shiites were planning "to strike at our forces."

"During the raid, 24 terrorists were killed, many suspects were arrested and troops uncovered a vast quantity of weapons," the military spokesman said.

It was the second time in four days that Israeli and Lebanese Army units have clashed. The army said the 10 Lebanese soldiers had been detained rather than captured, apparently indicating that they would be released.

Shiite Moslem guerrillas fighting Israel's occupation also kept up attacks with two roadside bombs near Tyre. The bombs exploded as Israeli patrols passed. There were no immediate reports of casualties, Lebanese security sources said.

Nightlong gunbattles raged around Tyre, the scene of daily arrests by patrols of Israelis and their militia allies.

The sources said that Israeli helicopters machine-gunned civilians crossing the Israeli front line along roadsides, wounding two, and tanks shelled Lebanese Army-held territory further north near Zarziyah.

At the village of Yatar, southeast of Tyre, Irish members of the UN peacekeeping force were caught in crossfire during a clash Sunday night between pro-Israeli militia-men and Lebanese guerrillas, a spokesman for the UN Interim Force in Lebanon said.

The spokesman, Timur Gökse, said there were no casualties but that the UN unit would ask the Israeli Army to prevent a recurrence.

The Israeli Army announced that it was increasing security in the predominantly Christian area where Sunday's car bomb exploded. Vehicles must now carry at least two persons, as in the Tyre region, to reduce the risk of car bombings.

### Curb on Travel Imposed In Namibia's War Zone

New York Times Service

JOHANNESBURG — The authorities in South-West Africa imposed new measures Monday restricting access to the north of the territory, also known as Namibia, where guerrillas have been fighting a low-key war for 18 years against the South African administration.

A police spokesman in Windhoek, the capital, said travelers would be required to have a police permit if they wished to visit an area stretching 600 miles (960 kilometers) along the territory's northern border with Angola and Zambia and 300 miles down its frontier with Botswana.



A Cambodian guerrilla with a foot injury receives treatment from the Red Cross at a field hospital in Thailand.

## Vietnam Takes Last Base Of Cambodian Guerrillas

By William Branigin

Washington Post Service

BANGKOK — The last Cambodian guerrilla base along the Thai-Cambodian border fell to Vietnamese forces Monday, according to Thai military sources and Western diplomats.

Fire shelling and ground assaults on the Green Hill base forced most of the guerrillas loyal to Prince Norodom Sihanouk to withdraw across the northern Cambodian border into Thailand near the village of Taum, the sources said.

Thai forces continued to battle Vietnamese troops who crossed into Thailand last week in an effort to surround the resistance base, the sources said.

They said F-5 aircraft of the Thai Air Force carried out air strikes early Monday in support of ground troops fighting to dislodge more than 1,000 Vietnamese from two hills about one and a half miles (2.4 kilometers) inside Thailand. The two sides also traded artillery fire across the border.

The fighting coincided with the arrival Monday in Bangkok of President Li Xianmin of China. The Thai authorities hope Mr. Li's five-day state visit as a guest of King Bhumibol Adulyadej will demonstrate Chinese support for Thailand in its conflict with Vietnamese forces occupying Cambodia.

China backs the Cambodian resistance groups battling the six-year Vietnamese occupation of their country. Beijing has repeatedly warned Hanoi that its dry-season offensive along the Thai-Cambodian border might provoke a "second lesson" reminiscent of the brief Chinese invasion of northern Vietnam in 1979.

The Vietnamese offensive appeared to overcome its final obstacle Monday to wiping out a guerrilla "liberated zone" on the Thai-Cambodian border after a week-long siege at the Green Hill base.

Spokesmen for Prince Sihanouk in Bangkok would neither confirm nor deny the pullout. They said only that the pro-Sihanouk guerrillas at Green Hill have "changed tactics." They indicated that some fighting was still going on in the area and that they had killed more than 1,000 Vietnamese and lost only 20 to 30 guerrillas.

Since the Vietnamese began their dry-season offensive in November, they have systematically wiped out all the bases of three Cambodian resistance groups along the 450-mile border with Thailand. This has forced about 250,000 Cambodian civilians to flee to evacuation sites on Thai territory.

Vietnam, which maintains 160,000 to 180,000 troops in Cambodia, is now expected to turn its efforts to sealing the border against future guerrilla infiltration.

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## WORLD BRIEFS

### 7 Bombs Explode in Portuguese Cities

LISBON (AP) — Seven bomb blasts rocked French, West German and British businesses and homes in Lisbon and the central city of Evora on Monday, causing extensive damage but no injuries, Portugal's public security police said.

The extreme leftist group, the Popular Forces of April 25, said in a telephone call to a Lisbon radio station that it was responsible for the bombings. A caller told the station press agency ANOP that the bombings had been carried out "against private interests and in defense of nationalizations."

The government of Prime Minister Mario Soares announced plans last week to permit private investment in nationalized companies.

Three of the bombs went off at five-minute intervals, starting at 1:29 A.M., in Evora, 96 miles (155 kilometers) east of Lisbon. The other four

bombs went off a short time later in Lisbon, the capital.

### 4 Men Held in Dortmund Bombing

KARLSRUHE, West Germany (UPI) — Four men arrested on suspicion of planting explosives that injured eight persons in Dortmund department store, two seriously, may have been on a bombing "joyride," an official said Monday.

Hans-Georg Fuchs, spokesman for the Federal Prosecutor's Office in Karlsruhe, gave few details of the four arrests but said that the motive behind the bombing Thursday of the Hertie department store in Dortmund was not apparently political. "They had some insane motive; perhaps it was a bombing joyride," Mr. Fuchs said.

Police sources said the four were between the ages of 18 and 20 but did not elaborate on when and where they were picked up. After the bombing a man called a local newspaper office to say that an extreme leftist group carried out the attack. But a spokesman for the Interior Ministry said Monday that despite the "phone call, police investigations now suggested the bombers were not part of any recognized terrorist group, left or right."

### Nimeiri Dismisses 11 Fundamentalists

KHARTOUM, Sudan (Reuters) — President Gaafar Nimeiri of Sudan has dismissed 11 members of the Moslem Brotherhood from his government, accusing the fundamentalist movement of plotting to overthrow him.

In a radio broadcast Sunday, General Nimeiri announced that he had removed Hassan Abdalla al-Turabi, a leader of the Moslem Brotherhood, from his posts as foreign affairs adviser and member of the central committee of the governing Sudanese Socialist Union.

General Nimeiri also dismissed three prominent judges. One of them is al-Mikashfi Taha al-Kabashy, former chairman of the Court of Appeals and the man who confirmed the sentence last month on a 76-year-old Sudanese dissident who was hanged for heresy. In addition, Mr. Nimeiri dismissed the le

### Bush Urges Coordination on Food Aid

GENEVA (AP) — Vice President George Bush, saying that ideology and vague pledges will not feed starving people in Africa, appealed Monday to delegates at a UN conference for better coordination of shipments of food aid to sub-Saharan Africa.

Mr. Bush addressed the conference on Africa a day after he arrived from a weeklong trip in which he met with officials in Sudan, Niger and Mali and visited camps for drought victims in Sudan. The delegates are to discuss a report that says that 21 African countries will need more than \$1.5 billion in aid this year.

Mr. Bush said that a greater tragedy can be avoided "if we put aside ideology, open our hearts, strengthen vital institutions of cooperation, get to the root of Africa's crisis, and have the courage and perseverance to see the problem through." He added, "Just as threatened populations cannot eat ideology, they also cannot eat vague pledges."

### Mubarak Asks Weinberger for Aid

WASHINGTON (UPI) — President Hosni Mubarak of Egypt asked Defense Secretary Caspar W. Weinberger on Monday for more U.S. aid, but a U.S. official said that the administration must consider the federal budget deficit in reviewing the request.

Sources also held out little hope of success for Mr. Mubarak's other goal, to persuade the United States to approve his plan for new Middle East peace talks. This plan calls for the United States to meet with a Jordanian-Palestinian delegation to prepare for direct Israeli-Jordanian-Palestinian contacts.

Mr. Weinberger declined to detail the hour-long talks, except to say: "I think we had a very good meeting." Another U.S. official who had attended the meeting said no agreements had been reached. Before the meeting, Egyptian and U.S. officials said that Mr. Mubarak would seek \$870 million in extra aid this year. Egypt is receiving about \$1 billion in economic aid and \$1.2 billion in military aid for fiscal 1985.

## Israel's 'Iron Fist' Strengthens Lebanese Resolve

(Continued from Page 1)

had led to a growth in popularity of Islamic fundamentalism.

"This is purely an Israeli creation," he said. "We never had this religious fervor here before."

Marakah is a small hilltop village, almost medieval in appearance, which has played a critical role in the Shiite resistance. At the entrance to the town, the roadway is scorched black from burning tires and the rusted wrecks of cars used as barricades against the Israelis.

When the Israelis come, lookouts shout alarms of "God is great!" from the minarets of the mosques; the women pour into the streets to confront the armored cars while the young men slip away into the hills.

In the town square, as in almost every village in the region, the green flag of the Shiite movement Amal flies. Just off the square is the Hussein, a Shiite religious assembly hall and office building that was the site of a bombing March 4 that killed 15 people, including two important guerrilla leaders, Mohammed Saad and Khalil Jeradi.

Dr. Mohammed Makki, who was on duty at the time, said that "inside the hospital, it was like a battle."

About 25 men at the hospital, including a man who had just brought his pregnant wife to deliver her baby, were taken into custody by the Israelis, according to Ali Jaffer Sherafaddein, a 35-year-old architect, and other witnesses.

They were blindfolded, their hands tied behind them and forced to kneel in the dirt outside for several hours, Mr. Sherafaddein said in an account that was also corroborated by Western relief workers. They said some were driven away strapped to armored personnel carriers.

Mr. Sherafaddein said they spent the night in a foul-smelling cargo container and were given wet blankets.

Since the "iron fist" policy took effect, at least 22 residents have been reported killed. Seven have died in the last week, not counting those killed in the Marakah explosion. Some of the dead were quite likely guerrillas.

Israel Explains Policy

The Israeli crackdown in occupied southern Lebanon was a policy forced upon Israel "by a dramatic increase in terrorist acts" against its forces since the decision was reached in mid-January to

withdraw those forces, an army spokesman said in Tel Aviv last week, according to The New York Times.

"At a time when we could have expected a decrease in such acts due to the fact that we are on our way out, terrorist leaders apparently preferred to score points in their intercommunal fights by using Israeli soldiers as an expedient and convenient target," according to the spokesman, Brigadier General Ephraim Lipid.

Under the circumstances, he added, "we had no choice but to introduce an appropriate response."

General Lipid said that in each case troops were sent into a village, "we found substantial quantities of weapons and explosives" including missiles and other sophisticated armaments.

The general said that relatively few people had been seized and that "all those who have been arrested were either identified terrorists or members of various hostile organizations."

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Iran Raids Baghdad Area

(Continued from Page 1)

Agency said the warplanes struck at "predetermined" points in Baghdad, a city of more than three million, inflicting heavy casualties and damage, the agency added.

In a Tehran radio interview, an unidentified Iranian colonel said: "We did not bomb houses, only garrisons. We flew over houses and bombed the military concentration points in Baghdad to show them our power and the fact we were able to bomb any target we choose."

The press agency also reported that two Iraqi planes flew over Tehran, the Iranian capital, but it said they were chased away by the Iranian Air Force.

An earlier Iraqi air raid on the city of Bakhtar, formerly called Kermanshah, killed at least 70 people and wounded more than 500 others, the agency said. It reported more than 200 houses were demolished in the bombing.

Iraqi planes also bombed facilities at Bandar Khomeini, formerly Bandar Shapur, on the northern tip of the Gulf, and bombed the town of Borjerd in Lorestan province causing unspecified casualties and damage, the agency added.

Iran and Iraq have been at war since September 1980, but the fighting has escalated in the past week with daily reports from both countries of attacks on their cities.

An Iraqi woman, who said she had come into central Baghdad from the attacked area, reported that the Iranian planes fired two rockets at Saddam city, a poor residential neighborhood on the western edge of Kasra.

One of the rockets hit a government-owned spare parts warehouse and the other "exploded between the houses," said the woman, who refused to be identified.

Another witness who refused to be identified said at least two Iranian jet fighters took part in an air attack that lasted "less than five minutes" against Kasra and Atash, seven miles east of Baghdad.

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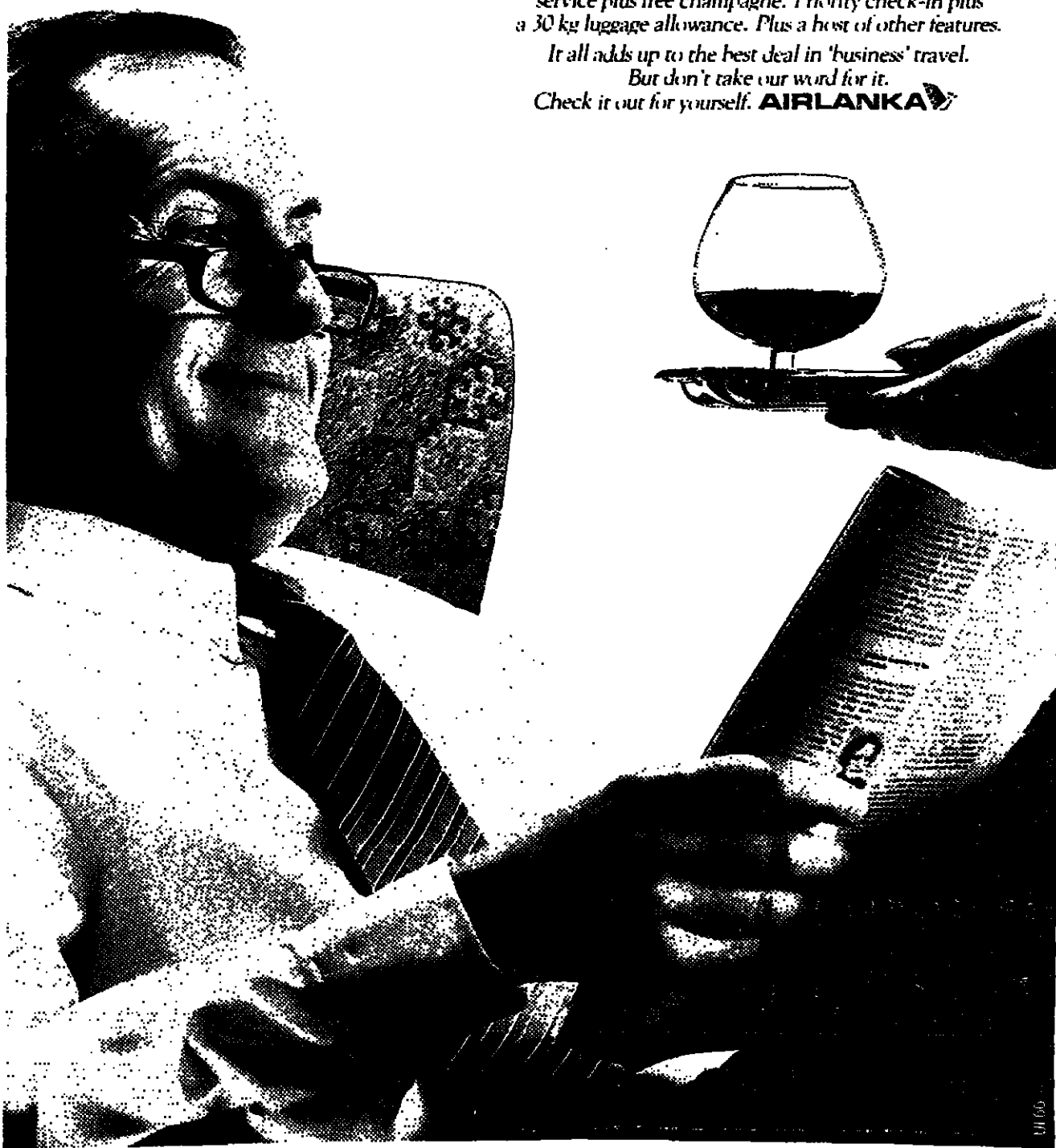
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## Senators Say Taxes Are Inevitable if Deficit Grows

By Bob Secor  
Los Angeles Times Service  
WASHINGTON — The ranking Republican and Democrat on the Senate Budget Committee have agreed that if the deficit continues to grow, tax increases may be the only solution to reducing the U.S. deficit.

Pete V. Domenici, Republican of New Mexico and chairman of the committee, said Sunday on television, "We're moving rather quickly as I see it toward taxes."

Although he vowed to oppose any tax increase in the fiscal 1986 budget, Mr. Domenici said that if the deficit continues to grow, the budget resolution to significantly cut deficits.

Mr. Domenici hopes to reduce next year's projected deficit of \$220 billion by \$60 billion, but aides have calculated that the spending cuts approved so far amount to less than a third of the \$60 billion.

In four days of hearings last week, the committee repeatedly urged down administration proposals to end subsidies for student lunches; mass transit systems and Amtrak, the national passenger rail system. It refused to

impose spending on student loan programs; the Medicare health insurance for the elderly and the disabled; and the state-federal Medicaid program of health care for the poor. It also failed to reach a consensus on whether to freeze Social Security benefits to retired and disabled people.

The hearings resumed Tuesday with the committee taking up Mr. Reagan's plan to eliminate the general revenue sharing program, a



Pete V. Domenici

move strongly opposed by state and local officials of both parties.

Mr. Domenici suggested that the budget fight was still in its "early stages."

"From what I can tell," he said, "there will be a dose of reality when we're finished with this first round" of hearings.

But Senator Lawton Chiles of Florida, the ranking Democrat on the committee, said on the same program that he believed that enough committee members would support cuts in both domestic and military spending to reach the committee's goal of cutting federal

spending by \$150 billion over the next three years. "So, if you want to get to this goal," he said, there would probably have to be new revenues.

Both Mr. Chiles and Senator Gary Hart of Colorado, another Democrat on the budget panel, said that President Ronald Reagan's refusal to compromise on the military budget was the major obstacle to overall budget reduction.

Mr. Hart, who appeared on another program, criticized Mr. Reagan for staying aloof, contending

he "could have 10 Democrats and 10 Republicans at the White House and in four hours we could have a budget that everyone agreed on."

## Papandreou Move Seen as Pitch to the Left

By Henry Kamm  
New York Times Service  
ATHENS — Prime Minister Andreas Papandreou's astonishing reversal in barring the re-election of President Constantine Caramanlis has led to the removal from a position of power of the man whom Greece's U.S. and West European allies considered the principal restraining influence on the Socialist prime minister's anti-Western policies.

The Socialist Party made a last-minute decision Saturday to nominate its own candidate rather than support the conservative president, as Mr. Papandreou had earlier said he would. The decision is regarded as an indication that the prime minister will lead his party into



Andreas Papandreou at a meeting of the Greek Socialist Party's Central Committee.

### NEWS ANALYSIS

national elections later this year in a campaign pitched to appeal to the Marxist wing of his party and the two Communist parties, the Communist Party of Greece and the smaller Greek Communist Party.

The expectation is that leftist policies will be high in the campaign and that the United States will be the principal whipping boy. The Communist Party of Greece, which is fiercely loyal to the Soviet Union,

But Mr. Papandreou is known not only for electoral shrewdness and rhetorical volatility but also for pragmatism in action. Thus it is not a foregone conclusion that if his shift of tactics succeeds and he is re-elected he will necessarily move Greece further from its Western allies or closer to the Communist camp.

Until the Socialist Central Committee and the party's parliamentary caucus voted unanimously to withhold support from Mr. Caramanlis when Parliament convenes in special session to choose a president, Greek analysts, including

members of Mr. Papandreou's own party, assumed that the prime minister would aim his main appeal to

political moderates, reassuring them by the continued presence as head of state of Mr. Caramanlis.

The session had been scheduled for Friday, but was postponed until Sunday.

The Greek political spectrum is sharply polarized between the Socialists, who stand to the left of most European Socialist parties, and the New Democracy Party, which was founded by Mr. Caramanlis and is staunchly conservative.

As a consequence, the parliamentary elections, which must be held by October, were expected to be a battle mainly for the uncommitted center, with the Communists left on the sidelines angry at both major parties.

Mr. Papandreou's expressions of support for Mr. Caramanlis, as well as a new election law adopted earlier this year, gave substance to these expectations. The new law modified the system of proportional representation to favor the two major parties and reduce even further parties with lower national ballot totals. It was hailed by the Socialists, who drafted it, and the New Democracy Party, but bitterly denounced by the Communists.

The Socialists held 165 seats in the present assembly, New Democracy 112 and the Communists 12. The remaining 11 deputies are independents, three of whom usually vote with Mr. Papandreou. This would seem to assure election to the presidency of the surprise Socialist candidate, Supreme Court Justice Christos Sartzetakis, who is 56.

In the first two ballots for the presidency, a two-thirds vote is required. However, a third ballot lowers the minimum to 180. This gives Mr. Sartzetakis a likelihood of winning, with the expected support of the Communists and at least three independents. Failure to elect a president in three ballots automatically dissolves Parliament and makes early national elections a necessity.

The withdrawal of Mr. Caramanlis removes from a direct political role the man who is regarded as the most powerful friend of a firm Greek commitment to the West. At the age of 78, he was believed to be eager for a second five-year term, after already having served 14 years as prime minister.

Brought back from exile in 1974 after the fall of the military dictatorship, he led the country not only back to parliamentary democracy but also into the European Community and back into the North Atlantic Treaty Organization after Greece withdrew in anger over the Turkish invasion of Cyprus.

Mr. Papandreou was elected in 1981 after a campaign in which he vigorously denounced U.S. influence in Greece and Greek membership in the two Western groupings. Mr. Caramanlis is given major credit by well-informed Greeks and diplomats for restraining Mr. Papandreou from fully renegeing his campaign pledges. There are differences in interpretation, but many Greeks believed that the Socialist leaders had vowed to withdraw Greece's memberships in NATO and the European Community and remove U.S. military bases.

Mr. Caramanlis, who has refrained from publicizing his actions during a notably aloof presidency, is said to have drawn on two sources of strength in limiting damage to Greece's alliances.

One is institutional, in that the president is empowered to dissolve Parliament or to hold a referendum on any government policy that he

judges to be contrary to the popular will. Significantly, Mr. Papandreou also announced Saturday that his party would introduce constitutional changes to reduce the power of the president and enhance that of the government and Parliament.

Mr. Caramanlis did not invoke these powers. But sources at the Presidential Palace often said that in the frequent private conversations between the president and the prime minister, the possibility of Mr. Caramanlis' exercise of his prerogatives was a real, if unspoken, factor.

The second source of Mr. Caramanlis' strength is his own unrivaled prestige as Greece's most durable political leader in modern history. Although his position formally removed him from party politics, he continues to be regarded as the dominant figure among conservatives.

With a more compliant president, especially one with reduced powers, and spurred by the traditional heated rhetoric of Greek political campaigns, analysts said it was hard to tell how far leftward Mr. Papandreou might move.

However, in a two-and-a-half-hour interview last month, when he still endorsed Mr. Caramanlis, the prime minister emphasized that he intended to keep Greece in NATO and the European Community.

## Salvadoran Rebels Revive Urban War

Analysts Say Guerrillas Were Ineffective in Countryside

The Associated Press

SAN SALVADOR — El Salvador's leftist guerrillas are bringing war back to the countryside to the city where it began five years ago, according to Salvadoran U.S. officials.

President Jose Napoleon Duarte says the shift in tactics by the guerrillas "an urban campaign of destabilization."

One reason for their move, military analysts say, is that in more than a year the guerrillas have not scored any major successes in the

countryside against the army and the air force.

The assassination at a San Salvador tennis club last Thursday of Lieutenant Colonel Ricardo Cienfuegos — one of the highest-ranking officers killed by guerrillas — was the latest indication that urban conflict is on the rise.

Sabotage and other killings attributed to the left have increased in San Salvador in the past few months.

A Roman Catholic human rights and legal group that is associated with the office of the archbishop of San Salvador has estimated that in one week recently, more politically motivated murders of civilians were attributable to the left than to rightist death squads. The death squads and rightist paramilitary organizations have been held responsible for most of the 53,000 civilians killed during the war.

Urban terrorism dropped sharply after the failure of the rebels' "final offensive" in January 1981. Life in San Salvador — which had been marked by a dusk-to-dawn curfew imposed to crack down on the kidnappings, bombings and sabotage — gradually returned to near-normal.

The curfew was lifted. New restaurants and clubs opened, and movie theaters once again offered late-night screenings.

Even so, bodyguards remain on duty for the wealthy, for government officials and for diplomats.

Asked about the increase of guerrilla activity in the cities, Mr. Duarte said: "It is difficult to control assassination in the city, and the left has unleashed an urban campaign of destabilization."

Gen. Paul F. Gorman, recently retired as the head of the U.S. Southern Command, in Panama, told Congress in Washington last month that an estimated 500 guer-

illas were in the capital in contrast to 30 a year ago.

In Washington, a State Department specialist said it was "indisputable" that the war was returning to urban areas but labeled the estimate of 500 rebels in the capital as "guesswork."

A tiny, maverick urban guerrilla force, the Clara Elizabeth Ramirez Metropolitan Front, has been active in San Salvador for some time.

However, the Farabundo Marti National Liberation Front, the umbrella group for the five mainstream guerrilla armies, denies any connection with it. The Metropolitan Front has claimed responsibility for most of the leftist killings in the capital — including the Cienfuegos assassination.

But in recent weeks the mainstream rebels have claimed responsibility for several of the other killings.

Guerrillas ambushed a truck carrying national police Feb. 20 on the western side of San Salvador. Two police agents were killed and 10 were wounded.

A military observer, who spoke on the condition he not be identified, said the Salvadoran Army started training some troops in urban anti-guerrilla tactics about two months ago.

He said the guerrillas would not find "the fertile ground here that they did in 1980."

In 1979, the leftists were basically a street movement involved in protest marches and kidnappings. Government troops frequently fired point-blank into the demonstrations.

Government forces now are relying more on small-unit tactics, constant patrols and increased air power to keep the rebels in the countryside from massing for any spectacular attacks.

## Ex-Senator W.E. Jenner Dies

New York Times Service

NEW YORK — William E. Jenner, 76, a former Republican senator from Indiana who became chairman of the internal security subcommittee of the Judiciary Committee that investigated charges of Communist subversion in the 1950s, died Saturday in Bedford, Indiana.

In 1950, he caused a controversy when he accused General George C. Marshall of befriending Communists. He referred to Marshall, a former secretary of state, as a "living lie" and a "front man for traitors," terms Mr. Jenner said later might have hurt his own political career.

Mr. Jenner was born in Marengo, Indiana. He attended Indiana University and later earned a law degree from Indiana University Law School.

Elected to the state senate for the first of two terms in 1934, he served as minority leader and later as majority leader. During World War II, he was an officer in the Army Air Corps.

Conference on Seabed Starts  
Agence France-Press  
KINGSTON, Jamaica — Representatives of 138 countries and delegates from several international organizations begin a monthlong meeting Monday in this Caribbean capital to discuss a treaty to govern the future exploitation of the international seabed.

In 1944 at 36, he became the U.S. Senate's youngest member and its first World War II veteran when he won election to fill out the term of Frederick Van Nuys, who had died. In 1946, he was elected to the first of two full terms in the Senate.

In addition to being conservative on domestic matters, Mr. Jenner consistently opposed U.S. foreign aid and any involvement in military alliances.

In 1957, he announced that he would not seek re-election in 1958. After leaving politics, he divided his time between law and business.

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## WEAPONS IN SPACE / The 'Star Wars' Controversy

## Proposed Space Defense Has Offensive Capability

By Philip M. Boffey  
New York Times Service

WASHINGTON — President Ronald Reagan's proposed defensive shield against ballistic missile attack could readily be used for devastating offensive warfare, according to both supporters and critics of Mr. Reagan's visionary program.

The president's Strategic Defense Initiative, known popularly as "star wars," would not use weapons of mass destruction, like the current nuclear arsenal, that could obliterate tens of millions of people, experts agree.

But — if it is actually built and deployed at full strength — the supposedly defensive system could serve several major offensive functions, according to a range of experts.

It could be used as a defensive adjunct to an offensive nuclear attack, allowing nuclear-armed missiles to be launched in an offensive strike while the defense is held in reserve to cope with any retaliatory strike.

It could attack and destroy enemy space satellites, which are generally far easier targets than the ballistic missiles the system would be designed to intercept and which have become an increasingly important part of the military systems of the United States and the Soviet Union.

It could unleash lightning-fast offensive strikes from space against relatively "soft" ground targets, such as planes, oil tankers, power plants and grain fields, causing instantaneous fires and damage that could, in the words of one proponent of the system, "take an industrialized country back to an 18th-century level in 30 minutes."

There is even a degree of concern among some military experts that the system might ultimately prove able to destroy the concrete and steel silos that protect missiles underground, thus providing a first-strike weapon that could disable an opponent's missiles before they could be fired.

These offensive uses would not be unique to the kind of weapons that will be explored under the Strategic Defense Initiative. If the Soviet Union should develop a similar defensive shield, it too would almost certainly have the same offensive uses.

The potential offensive uses of a reputedly defensive system have so far received only passing attention in the debate over Mr. Reagan's proposal. But the ambiguity between defensive and offensive weapons is beginning to cause concern among some of the scientists who are strong proponents of a better defense, as well as those who oppose the general thrust of the Strategic Defense Initiative.

"I've been thoroughly aware of the problem for years," said John D.G. Rafter, vice president of the Kaman Aerospace Corp., a space-laser expert who has often testified in Congress in favor of a defensive system.

"Anything that involves large amounts of energy can be used for good or evil purposes," Mr. Rafter said. "A system of space battle stations designed to stop a nuclear attack also may have the potential to attack selected targets in space, in the atmosphere or down on the surface of the Earth."

He said the possible misuse of a defensive system for war-making purposes is "something that has to be thoroughly studied and dealt with" before such a shield is deployed.

But Edward Teller, a nuclear physicist with close ties to the Reagan administration, said the Strategic Defense Initiative was "unquestionably defensive and not offensive."

Mr. Teller said he hoped that new weapons could be designed to be strong enough to "destroy the vulnerable, flimsy structure of a missile in the boost phase." But he said such weapons would almost certainly be "completely helpless against silos" and would probably have great difficulty finding and tracking ground targets, which could be more readily destroyed by existing weapons.

"To use this expensive system to accomplish something as pedestrian as that, something that could be accomplished much more easily by methods already available, what kind of sense is that?" Mr. Teller asked.

At this point, of course, no one knows whether an effective defense can be built or what it would look like. The Strategic Defense Initiative is a research program designed to investigate a range of possibilities for disabling Soviet missiles that are launched against the United States. The study will investigate weapons such as high-speed projectiles and futuristic laser beams or particle beams that might be directed at Soviet missiles and warheads at all points along their flight paths, from the boost phase through the release of the warheads to the terminal phase, where the warheads plunge back into the atmosphere toward their targets.

The new defensive weapons might be based in space on hundreds of special platforms, or popped up into space at the first sign of attack, or based on the ground to fire upward. Depending on which weapons are ultimately selected and where they are based, the system would possess a range of potential offensive uses.

The most obvious offensive use, recognized by both proponents and critics of the system, would be as a defensive adjunct to a nuclear attack. Some arms-control strategists fear that a nation that possessed a defensive shield, however imperfect, might be tempted to launch a first strike against its enemy, secure in the knowledge that the shield could knock down a ragged and uncoordinated retaliatory strike.

American officials stress that the United States, even with a defensive shield in place, has no intention of launching an unprovoked attack upon the Soviet Union. But Mr. Reagan himself acknowledged, in his speech on March 23, 1983, announcing the program, that defensive systems could raise fears of an attack. "If paired with offensive systems," he said, "they can be viewed as fostering an aggressive policy, and no one wants that."

Beyond acting as an adjunct to an offensive attack, virtually any system that could be used to shoot down ballistic missiles in flight could also be used, probably more effectively, to shoot down enemy satellites in space.

"Whatever weapons are useful in an anti-ballistic missile role are even more useful in an anti-satellite role," said Wolfgang K.H. Panofsky, director of the Stanford Linear Accelerator Center at Stanford University in California, who is an expert on beam weapons and a critic of the president's program.

A workshop of experts brought together by the Congressional Office of Technology Assessment concluded last year that any effective defense against ballistic missiles "is an even more effective anti-satellite weapon" because "satellites are much easier to destroy" than missile warheads.

defensive system has offensive capabilities against targets in space, there is considerable disagreement whether the system would make a feasible and likely weapon against targets on the ground or in the lower atmosphere.

Attacking such targets would not be easy. Many of the technologies under investigation for ballistic missile defense have limited abilities to penetrate the atmosphere. Particle beam weapons, for example, dissipate when they collide with other particles in the atmosphere. The X-ray beams emitted by one class of laser weapons are unable to reach very far toward Earth. And many of the high-speed projectiles that might be used to destroy missiles by the impact of collision would probably burn up in the atmosphere long before reaching the ground.

But the proposed defensive system, if it works well, will have to have some weapons able to hit ballistic missiles shortly after launch, when they are still in the atmosphere. U.S. military officials are also hoping to find weapons that can disable low-flying cruise missiles and bombers. Nobody knows if they will be successful. But if they can do that, many experts say, it should not be much more difficult to increase the range slightly and shift the aim to hit ground targets.

In principle, at least two of the weapons systems under investigation should ultimately be able to reach the ground from outer space. High-speed projectiles, if made large enough and durable enough, could presumably be sent to collide with surface targets, smashing them by the force of impact.

And optical lasers, which focus narrow beams of intense, hot light on their targets, should be able ultimately to burn targets on the ground. The so-called excimer laser, for example, will almost certainly be able to transit the atmosphere.

Under one proposed basing plan, the laser would sit on the ground and fire its beam up through the atmosphere to mirrors based in space, which would redirect the beam back down toward ballistic missiles taking off.

In a recent interview, Mr. Rafter, a proponent of a space-based defense, said any defensive laser system hot enough and fast enough to destroy 1,400 ballistic missiles in a few minutes as they are boosted from the Earth could almost certainly be designed to "burn down through the atmosphere and easily kill an airplane or cruise missile or surface target because these are essentially sitting ducks." It was Mr. Rafter who said such an attack could reduce an industrialized country "to an 18th-century level in 30 minutes."

But such feats would have to be carried out in good weather. Clouds block the laser light from reaching the Earth. And finding targets that move, like planes and cruise missiles, could be extremely difficult, especially if the new "stealth" technologies are used to hide the target from radar and other sensors.

The most devastating offensive use of space weapons would be for a first strike against "hardened" military targets, particularly the concrete-and-steel silos that house missiles on the ground. Most experts believe that this task would be formidably difficult, even impossible. The silos of both superpowers are built to withstand the enormous pressure and heat of a nearby hydrogen bomb explosion.

## As Research Gains Momentum, Basic Questions Remain Unresolved

(Continued from Page 1)

ing debate there, but it's hard to see how the issue will get joined in a legislative context," said Representative Les Aspin, Democrat of Wisconsin, who is the new chairman of the House Armed Services Committee. "As long as the program is only research, there is no legislative issue on which the opponents and proponents can line up on opposite sides. Even the most vociferous opponents say we ought to do research."

The only issue this year, Mr. Aspin added, will be how much additional money to provide for research.

Yet the national debate over "star wars" goes on, as more and more fundamental questions are raised about it. The following are chief among them:

• Is this really only a research program, or a virtual commitment to deploy a defense should one become technically feasible?

• Is the president's goal of rendering nuclear weapons obsolete in fact a desirable objective, or do nuclear weapons play an essential role in preventing war between the superpowers?

• Is the goal realistically attainable?

• Is a lesser goal, say a partial defense that would protect missiles and bombers but not the public, desirable in its own right, even though it would protect and enhance nuclear weapons, which is exactly counter to the president's stated goal of making such weapons obsolete?

• How would a future president manage the precarious business of actually deploying a defensive system?

• Are there any better alternatives?

When, on March 23, 1983, Mr. Reagan unexpectedly called for intensified research to find a defense against ballistic missiles, he caught many of his subordinates flat-footed. Just hours before he spoke, the Pentagon official in charge of directed energy weapons, a major focus of the new defensive program, had told a Senate subcommittee that, on technical grounds, he could not recommend spending more money on a program for research on such armaments.

Since then, Mr. Reagan's program has taken on a life of its own in the vast federal bureaucracy. The administration has stressed that the program is merely in a research stage and that a decision to actually build and deploy a defensive system will be made by future presidents and congresses.

Critics are skeptical that any program to which the president has committed himself so fully will wind up unfilled. "If things work out at all, they're going to do it," predicts Spurgeon M. Keeney Jr., executive director of the private Arms Control Association.

The Defense Department has centralized its previously existing research programs into a single office, under Lieutenant General James A. Abrahamson. The level of actual spending in fiscal year 1985, the current year, is roughly comparable to what it would have been without the president's new emphasis, namely \$1.4

billion. But now the program is poised for substantial expansion. The president has requested \$3.7 billion for fiscal 1986. Additional money, roughly \$300 million for fiscal year 1986, is in the budget of the Energy Department, which supports work at the national weapons laboratories.

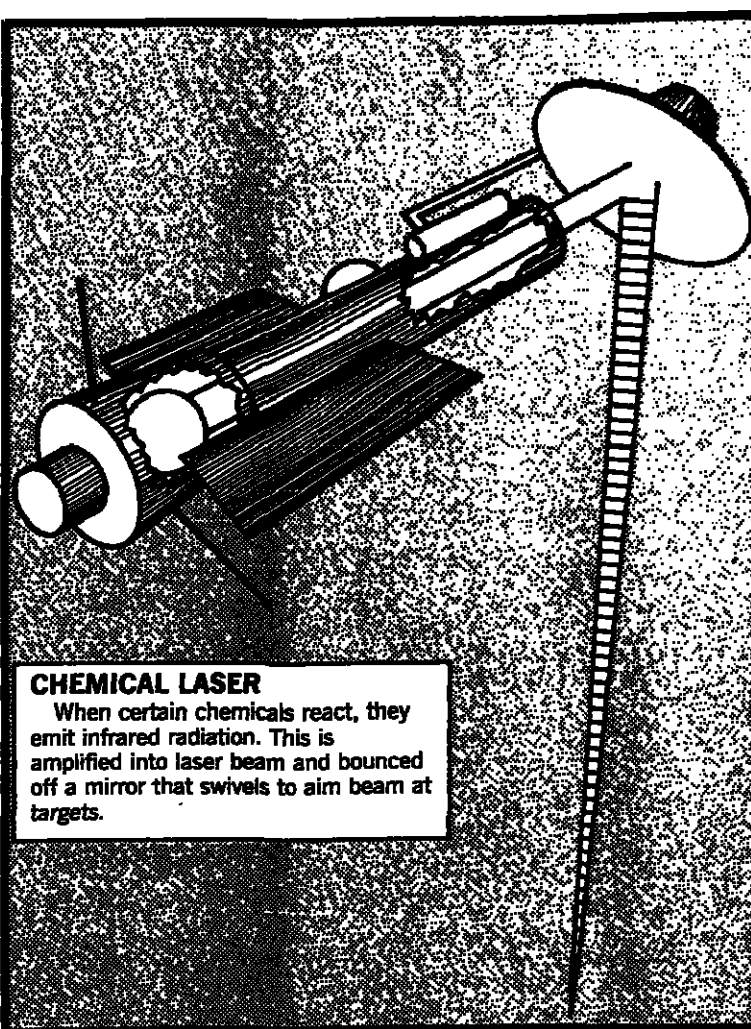
What Congress will do to this budget in a year when it is looking for ways to reduce spending no one can say at this point. Key Republicans in the Senate are generally supportive of the president.

Senator John Warner, Republican of Virginia and chairman of the Senate subcommittee on strategic and theater nuclear forces, said in an interview that he favored giving the program roughly what the president has requested, although he added, "I am not going to commit myself to the entire request."

Senator Ted Stevens, Republican of Alaska and chairman of the Senate subcommittee for defense appropriations, called the Strategic Defense Initiative "the highest priority I have." He said he might not endorse the full amount requested, but added that the program was at "a critical juncture" at which it "needs more money" to determine whether breakthroughs are possible.

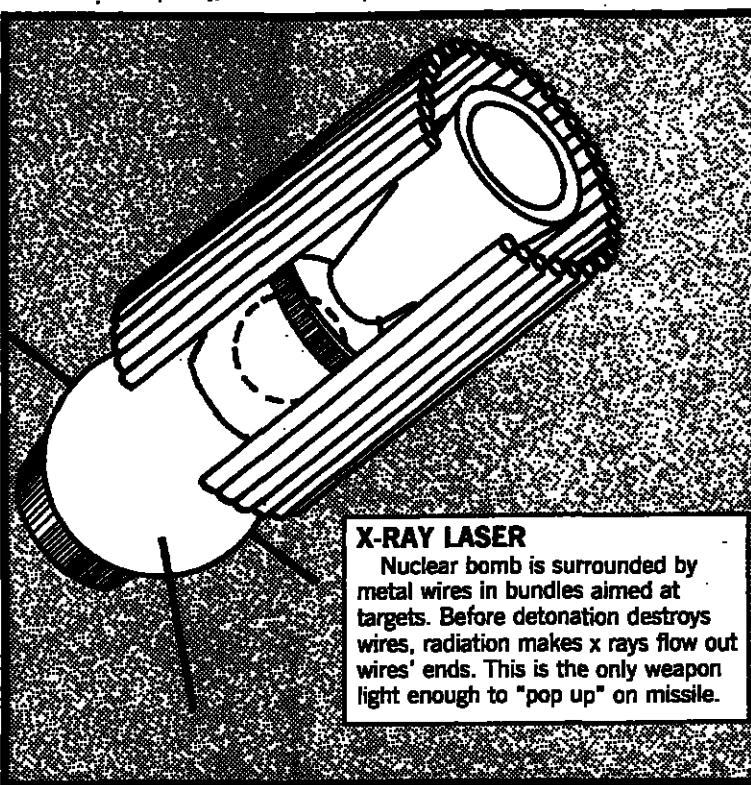
Key Democrats in the House are less supportive. Representative Aspin said it was "likely that Congress will cut the money back some" from what the administration requested. Representative Joseph P. Addabbo, Democrat of New York, chairman of the subcommittee on defense appropriations, said he hoped to hold the program at roughly its current level, with a small increase to cover inflation.

Critics say they fear that the program will now steamroll, with support from an ever-larger array of military contractors, lobbyists, technologists and congressmen, to the point where it cannot be stopped.



CHEMICAL LASER

When certain chemicals react, they emit infrared radiation. This is amplified into laser beam and bounced off a mirror that swivels to aim beam at targets.



X-RAY LASER

Nuclear bomb is surrounded by metal wires in bundles aimed at targets. Before detonation destroys wires, radiation makes x rays flow out wires' ends. This is the only weapon light enough to "pop up" on missile.

The chemical laser, above, is considered the type of space-based weapon most suitable for eventual use against targets on the ground. X-ray lasers, below, are unable to reach very far toward Earth.

## U.S., Soviet Union to Start Arms Talks on Schedule Despite Chernenko Death

The Associated Press

GENEVA — The United States and the Soviet Union decided Monday to open talks Tuesday on nuclear weapons as planned, despite the death of the Soviet leader, Konstantin U. Chernenko.

The decision was made at a one-hour meeting between Warren Zimmerman, a deputy to the chief U.S. negotiator Max M. Kampelman, and Vladimir Alexandrov, a member of the Soviet delegation, a U.S. spokesman said.

The executive secretaries of the U.S. and Soviet delegations have agreed that the heads of the delegations will meet at 11 A.M. at the Soviet mission, the spokesman, Joseph Leiman, said.

The meeting was designed to set a schedule for the next few weeks. It was not immediately clear when the two sides would begin to discuss the substantive issues.

Soviet journalists said it was unlikely that the chief Soviet delegate, Viktor P. Karpov, and the two other Soviet negotiators, Yuri A. Kvitsinsky and Alexei A. Obukhov, would go to Moscow for Mr. Chernenko's funeral on Wednesday.

But that does not rule out a pause here for a few days.

Western officials told Reuters that the decision to open the talks on schedule was encouraging. They said it showed the Soviet government wanted to demonstrate a continuing line in foreign policy, despite the leadership change.

It also appeared to underline the urgency that the Soviet Union attached to the talks on space arms, long-range nuclear weapons, and European-based missiles, the officials said.

The talks will open with the two sides far apart on the issues even though their stated goals are nearly identical.

Both sides have said they want to prevent an arms race in space and end it on Earth, but they differ on how to achieve their goals.

The United States wants to resume the quest for deep cuts in offensive weapons, which was suspended when talks broke down 15 months ago. The Soviet Union wants to stop President Ronald Reagan's space-based missile-defense program, arguing that it will lead to a dangerous militarization of outer space.

When he arrived in Geneva on Saturday, Mr. Kampelman pledged his efforts toward the "taming and then the elimination of nuclear weapons."

Mr. Karpov, when he arrived Sunday, said that the Soviet Union also hopes to attain the "truly historic goal" of eliminating nuclear weapons. He said neither side should have "unilateral advantage" over the other.

The talks are likely to be long and difficult, complicated by the sharp dispute over the Strategic Defense Initiative, the official name for the space-based defensive system.

Mr. Kampelman said his negotiating strategy could be summarized in "one important word — patience."

The main European allies of the United States, while concerned about the possible militarization of space, have reluctantly supported Mr. Reagan's plan for a research program, which might take 10 to 15 years. But Britain,

West Germany and Italy have said that a deployment of space-weapons technology must be negotiated with the Soviet Union.

Mr. Reagan has instructed the U.S. negotiating team to discuss the Strategic Defense Initiative but not to negotiate limitations on research or testing.

The Russians abandoned talks in late 1981 long-range and medium-range missiles after the North Atlantic Treaty Organization began deploying the first of 572 cruise and Pershing missiles in Western Europe to counter a build-up of Soviet SS-20 missiles.

The U.S. secretary of state, George P. Shultz, and the Soviet foreign minister, Andrei A. Gromyko, set up the new talks during two days meetings in January. They said their mutual goal in the negotiations would be "prevent an arms race in space and terminating it on Earth."

For the U.S. side, Mr. Kampelman, who negotiated with the Soviet Union between 1979 and 1983 in Madrid at the Conference on Security and Cooperation in Europe, will deal with space arms. John G. Tower, a former Republican senator from Texas, will negotiate on long-range missiles, and Maynard W. Glittenberg will negotiate on intermediate-range missiles.

For the Soviet side, Mr. Karpov will deal with long-range missiles. Mr. Obukhov will be the negotiator on intermediate weapons, and Mr. Kvitsinsky on space weapons.

Mr. Kampelman, Mr. Tower and Mr. Glittenberg were in Brussels on Monday, where they briefed ambassadors to NATO on the talks at the Prime Minister Wilfried Martens, who government is expected soon to announce timetable for the deployment of the first of cruise missiles in Belgium.

Senator Richard G. Lugar, the Republican chairman of the U.S. Senate Foreign Relations Committee, and Jim Wright, the Democratic majority leader of the House of Representatives, were in Geneva with nine other senators a week after the start of the talks.

Mr. Lugar suggested Sunday that Soviet opposition to U.S. research on space weapons is part of a propaganda campaign designed to split the Western alliance. "We must wait and see why they are here and what they are up to," he said.

He said the legislators' presence meant "Soviets will know there is absolute solidarity in the Congress behind our negotiators, that take this seriously from the very beginning."

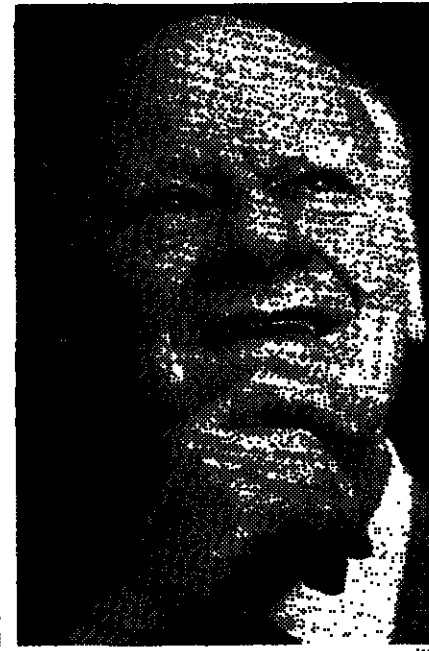
Mr. Lugar said Congress was determined "follow each nuance down the trail," even if it takes years to reach an agreement.

"In the past," Mr. Lugar continued, "treaties have had a very tough time being ratified in this country, in large part because senators on both sides of the aisle said they weren't there at takeoff but were expected to be there at landing."

The 10 senators were to receive briefings on the talks from Mr. Kampelman and other delegation members before leaving Geneva Wednesday.



Edward Teller



Hans A. Bethe

introduced the defense initiative in a speech. "Converting hydrogen bombs into hitherto unprecedented forms and then directing these in highly effective fashions against enemy targets," he said, would "commence a period of assured survival on terms favorable to the Western alliance."

Although the administration now downplays the role of nuclear weapons in a "star wars" defense, the plan's central vision still strikes a resonant chord among many citizens who live in dread that some day the thousands of existing nuclear warheads will be fired. Even leading critics of the president's proposed system say that if they really thought it would work, they would be all for it.

But not everyone agrees that a perfect defense against nuclear weapons, and their eventual elimination, would be desirable, at least not without much more thought about the consequences.

Some arms control experts say that the fear of nuclear weapons has preserved the peace between the two superpowers for the last four decades. And, while these experts say they are eager to see the overwhelming size of world nuclear arsenals reduced to protect the world from complete destruction in a nuclear holocaust, they are reluctant to give up nuclear weapons entirely unless some better guarantor of the peace is at hand.

The most thoroughly debated question is the one that cannot be answered yet, the question that the space-defense research program will explore. Is a defense that would protect the nation from ballistic missile attack both technologically and economically feasible?

Ten to 15 years ago, the nation confronted that issue and concluded that the job could not be done. But since then, many experts agree, there have been great strides in the technologies needed to build such a system, and the answer is a little less clear.

The administration has assembled an impressive array of technical experts who say that it is at least possible, if vigorous research is pursued for the next two decades, that an

effective defense for the entire population may become feasible.

After interviewing key figures in the debate, John Maddox, the editor of *Nature*, the British science journal, concluded that "the most common complaints against SDI, that it cannot work, seem to outsiders to be belied by the numbers of intelligent people who are passionately persuaded otherwise."

But an equally impressive array of experts is skeptical that a leak-proof defense is possible, particularly if a determined enemy is simultaneously trying to find ways to overcome it. A second team of outside experts assembled by the Reagan administration, headed by Fred S. Hoffman, performed a study under the aegis of the Institute for Defense Analyses. The study concluded that, while a defense effective enough to preclude nuclear attacks might result from the program, "it is more likely that the results will be more modest" — namely a system that could protect military targets but might not be able to prevent "catastrophic damage" to people.

In an all-out attack, the study said, even modest leakage of missiles through the defense shield would be "sufficient to destroy a very large part of our urban structure and population."

Experts on both sides agree that it will be an uphill battle to develop weapons that can shoot effectively at long distances, sensors and tracking devices that can find and follow thousands of missiles and warheads and distinguish them from tens of thousands of decoys, and prodigious computer capabilities to manage a battle for survival that would be over in minutes.

Such capabilities are not in hand now and may never be. The potential for success in this endeavor probably will not be known for decades.

Since the president announced his original goal of a full-scale defense that would protect the population and make nuclear weapons obsolete, his program has moved toward lesser goals as well. In particular, many of the administration's experts and study groups have

stressed that, even if a leak-proof full-scale defense system is eventually found to be possible, a partial defense good enough to ensure that American missiles and bombs will survive may become feasible and will be attainable much sooner than a full-scale defense system.

Thus the argument over the defense system is splitting into two debates that are still carefully distinguished. One is the debate triggered by the president's original vision: whether the United States should move away from the threat of massive nuclear retaliation, deter attacks and rely instead on a new, high-effective, defensive shield to prevent attacks on American soil.

The other is whether the United States should turn to a partial defense to protect missiles and bombers, thus ensuring that it could survive a surprise attack and unleash devastating retaliatory attack on an aggressor.

The two kinds of defense have opposite objectives. Mr. Reagan's full-scale defense seeks to do away with nuclear weapons; a partial defense seeks to enhance their retaliatory power.

Supporters of the president's program see conflict between the two goals. They say if the president has always said that, until effective defense is ready, the nation will continue to rely on the threat of nuclear retaliation to deter attacks. But critics of the program say it makes little sense to spend vast amounts to protect nuclear weapons if the ultimate goal is to get rid of them.

Some critics contend that a limited defense would be especially provocative to the Soviet Union because the system would clearly be able to cope with a massive Soviet attack. It might be effective against a weak retaliatory blow after a large, pre-emptive American strike.

Hans A. Bethe, the Nobel Prize-winning physicist, and three colleagues warned last year in a magazine article: "It is difficult to imagine a system more likely to induce catastrophe than one that requires critical decisions by, second, is itself untested and fragile, and yet threatening to the other side's retaliatory capability."

If the research program does come up with full-scale defense that is technically and economically feasible, then it would require extraordinary cooperation between the Soviet Union and the United States to get it deployed without major incident, according to experts on both sides of the debate.

Even both sides deploy comparable defenses, simultaneously, experts say, the system would become terrifying as a start shooting at the emerging defenses of the other before they could be deployed.

The president himself put his finger on a fundamental truth when he announced, in statement that was later much ridiculed, that he would be willing to share with the Soviet Union any defensive technologies that are developed by his new program.

The White House has subsequently played down this offer, apparently realizing that a new defensive system, if it works, will embody the nation's most sophisticated computer sensors and other high-technology items that could be used not just in a defense system, but in a variety of offensive weapons well.

Some critics doubt that such cooperation likely.

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# Chernenko, the 'Gray Man of the Old Guard,' Was the Ultimate Party Bureaucrat

Los Angeles Times Service  
MOSCOW — Konstantin U. Chernenko, the sixth leader of the Soviet Union, was a compromise choice to preside over the Kremlin at a time of worsening Soviet-American relations.

A protégé of the former Soviet president, Leonid I. Brezhnev, Mr. Chernenko had no political base of his own and apparently ruled in collaboration with other powerful Politburo members.

In some ways, he was the ultimate Communist Party bureaucrat, an apparatchik, who believed that swerving loyalty was the most important virtue.

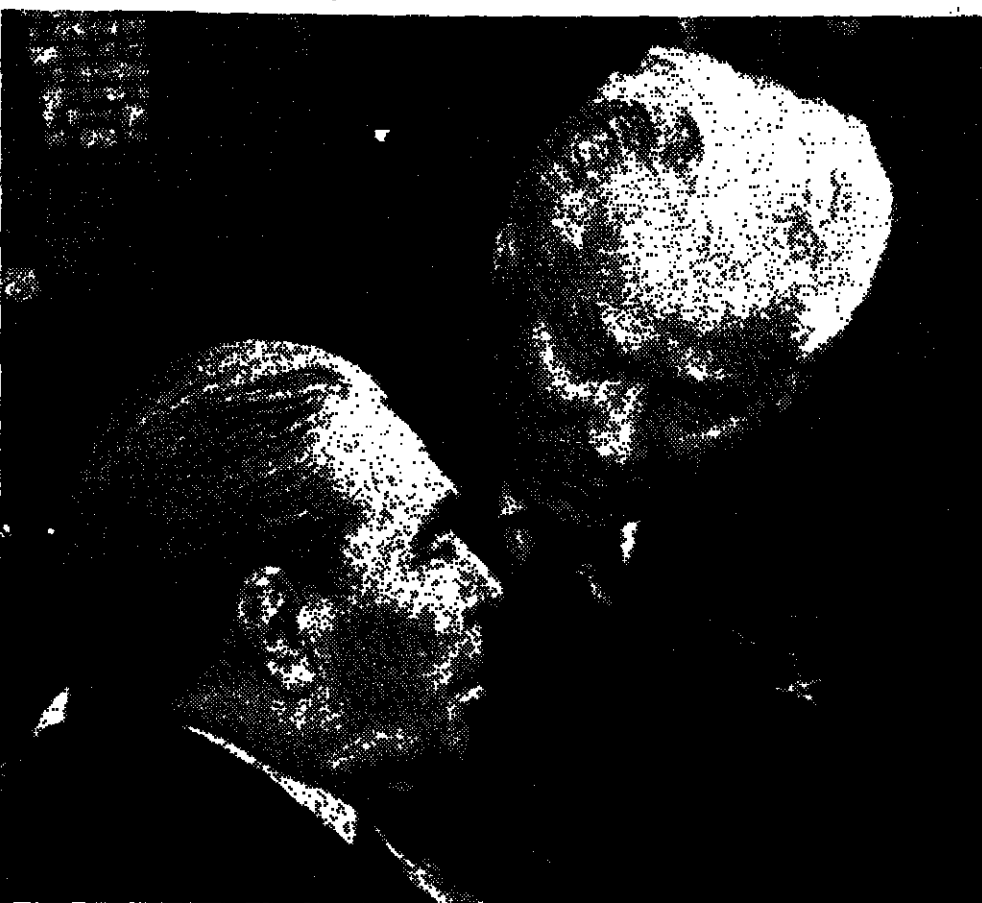
A U.S. diplomat described him as a "gray man of the old guard," a Soviet propagandist he represented the "glorious traditions of an older generation." For Mr. Chernenko was, at 72, the oldest in ever to assume power in the Soviet Union and, therefore, was regarded as more than a transitional leader.

Severe health problems, including a lung disease that made him appear to gasp for breath at times, contributed to an image of weakness. His only public appearance since late last December was at a meeting of the Politburo on Feb. 7. However, he was seen twice on television news broadcasts in February. The first time, on Feb. 24, he is shown voting in local Soviet elections, the second, on Feb. 28, showed him being presented with credentials as a parliamentary deputy following the elections. In his appearances, he was pale and visibly weak.

Under Mr. Chernenko, the Soviet foreign minister, Andrei A. Gromyko, appeared to dominate foreign policy issues, while Defense Minister Dmitri F. Ustinov, who died Dec. 20, apparently controlled military matters.

Mr. Chernenko's public speaking style was so poor that it embarrassed his colleagues. He rushed through his texts, swallowing some words and barely pronouncing others so that he was very hard to understand. At one appearance, he left his place and skipped a whole page.

Shortly after he took office on March 13, 1984, there were signs that Mr. Chernenko would take a moderate approach to the West in his predecessor, Yuri V. Andropov. That initial optimism was dashed as Mr. Chernenko repeated insisted that President Ronald Reagan could not be dealt with. Last fall, however, Mr. Chernenko presided over a turnaround in the Soviet position. In November, he proposed a meeting be-



Konstantin Chernenko and Leonid Brezhnev at signing of SALT-2 treaty in Vienna in 1979.

tween Mr. Gromyko and the U.S. secretary of state, George P. Shultz. He went on to cooperate in forging an agreement on reviving the arms control negotiations that are scheduled to resume Tuesday in Geneva.

Domestically, Mr. Chernenko believed in a conservative, authoritarian approach that leaned heavily on exhortations to improve workers' productivity.

He expanded programs to give workers and managers more financial incentive and responsibility. Statistics for 1984 showed that industrial output rose 4 percent and that labor productivity in industry was up 3.8 percent.

He also sustained the anti-corruption campaign started by Andropov. The leader of Rostov province was dismissed and a major purge was begun in Central Asia. More surprisingly, he pressed a corruption case against Nikolai A. Shchelokov, Brezhnev's friend and interior minister. Mr. Shchelokov died, possibly by his own hand, after being stripped of his general's rank in September.

Mr. Chernenko was a simple man who lacked a university edu-

cation. He scorned proposals for economic reform and, as a critic said, seemed to pursue an all-stick, no-carrot policy so far as workers' incentives were concerned.

He was a fundamentalist on artistic matters, declaring his belief in "socialist realism" and other slogans to glorify the Communists and the working class. Soviet artists ridiculed what they called a return to "tractors and muscle" of the 1930s, but Mr. Chernenko's criticism took its toll on some avant-garde film and theater directors.

Mr. Chernenko was a lifelong Communist Party official, specializing in ideology. But it was his connection with Brezhnev, solidified when they worked together in the Soviet republic of Moldavia in the late 1940s, that allowed him to rise from obscurity in Siberia to the most powerful post in the Soviet Union.

Konstantin Ustinovich Chernenko was born in the Siberian village of Bolshaya Tes on Sept. 24, 1911, about six years before the October Revolution swept the Communists to power in 1917.

According to his own account, it

was a hard life in a large and poor family and he left home at the age of 12 to work for a wealthy farmer, known as a kulak.

In propagandist's prose, he later wrote of his childhood: "We were underfed and poorly clothed, but the dream of a radiant future for all fascinated us and made us feel happy."

By the age of 18, however, he was doing propaganda work in his home region near the city of Krasnoyarsk. He volunteered for the Red Army in 1930 and was assigned to a border unit, patrolling the frontier on horseback. He became secretary of his party cell there.

After army service, Mr. Chernenko went back to work for the party, directing agitation and propaganda in two districts near his native village. While millions of other Soviet men went to the front to fight the invading Nazis, he remained in his Siberian post and studied party organization at a special Moscow school from 1943 to 1945.

Then he became secretary of the Penza regional party committee for

three years until he was assigned to Moldavia to head the Agitation and Propaganda Department, where he worked with Brezhnev.

Some reports said that he was Brezhnev's driver for a time. The two men became friends and, although Mr. Chernenko stayed dutifully in the background, the friendship clearly helped his career.

In Moldavia, Mr. Chernenko went to night school to complete his education, interrupted at the age of 12 when he quit to start work. He was graduated from Moldavian Teachers' College in 1953, at the age of 42.

When Mr. Chernenko's mentor, Brezhnev, was transferred to Moscow, Mr. Chernenko soon followed, getting a prized post in the Agitation and Propaganda Department of the Central Committee in 1956.

It was not until the removal of Nikita S. Khrushchev as party leader in 1964, however, that Brezhnev and Mr. Chernenko moved into positions of power. Brezhnev, who became first secretary of the Central Committee of the Communist Party, named Mr. Chernenko as secretary of the committee's General Department. It was a key post in the most powerful group in the Soviet Union, comparable to being a cabinet secretary in Europe or the White House chief of staff in the United States.

With Brezhnev's backing, Mr. Chernenko became a nonvoting member of the Central Committee in 1966. Five years later, he became a full member. His rise, in Soviet terms, was rapid, for he became an alternate member of the Politburo in 1977 and he was elevated to full membership in that ruling body the following year.

Brezhnev was clearly grooming Mr. Chernenko to be his successor, sending him to the Helsinki Conference on Security and Cooperation in Europe, in 1975, and bringing him along for the 1979 Vienna summit meeting with the U.S. president, Jimmy Carter.

Early in 1982, in a sign of his new eminence, Mr. Chernenko was named the third-ranking member of the Politburo. But when Brezhnev died on Nov. 10, 1982, the leadership did not go to his protégé.

It went instead to Andropov, the former head of the KGB security police. Mr. Chernenko nominated his rival to be general secretary of the Communist Party. In return, Mr. Chernenko got a relatively prestigious job, although he was dropped from the post of secretary of the General Department.

One of Mr. Chernenko's problems was that he never ran any-

thing himself, or led a district or city branch of the Communist Party. He had no managerial experience, either, and his chief patron, Brezhnev, was dead.

Early in 1983, Mr. Chernenko dropped out of sight. He had to cancel a scheduled trip to East Berlin and he missed the spring spectacular in Moscow, the May Day military parade. His office at first said he had a cold and later reported that he had pneumonia after his two-month absence.

But he apparently retained Andropov's confidence despite rumors that he was about to be removed from his Politburo post. Then Andropov became ill with a fatal kidney disease; he was not seen in public after Aug. 15, 1983. Andropov died on Feb. 9, 1984. The announcement of his death, which interrupted solemn music on Moscow radio stations, was made the following day.

In a remarkable political comeback, Mr. Chernenko became the compromise candidate to replace Andropov. He was named general secretary of the Communist Party after serving as chairman of the funeral commission for his rival.

But there were signs of opposition within the Politburo to his selection and the announced unanimous vote in favor of Mr. Chernenko was suspect.

After his election, the new leader had a whirlwind five months, meeting with world leaders who attended the Andropov funeral and later was host to Spain's king, Juan Carlos I, and President François Mitterrand of France.

Westerners were encouraged when Mr. Chernenko said in March 1984 that he favored a "drastic change in Soviet-American relations" from their 20-year low point.

But others said Mr. Chernenko had little leeway for altering the Soviet foreign policy stance, particularly in view of Mr. Gromyko's hard-line views. Relations with the

United States remained icy until Mr. Chernenko's proposal in November for a meeting between Mr. Gromyko and Mr. Shultz.

On April 11, 1984, Mr. Chernenko was named president of the Supreme Soviet, the nominal parliament, giving him the same protocol rank as any head of state.

Despite his prominence, little was known about Mr. Chernenko's private life. Friends said he was warm-hearted and sentimental, a man who could break into tears during a sad movie or after discussions of World War II.

Armand Hammer, an American industrialist who has known every Soviet leader since Lenin's time, said of Mr. Chernenko: "He's a very warm-hearted man just like Brezhnev was. A very pragmatic man."

Mr. Chernenko's wife, Anna Dmitrievna, was rarely seen in public. A daughter, Yelena Konstantinovna, worked as a senior researcher at the Marxism-Leninism Institute.

In addition, he had two sons. According to the little information available, one works at Goskino, the state film organization, the other at the Agitation and Propaganda Department in the provincial city of Tomsk.

Concern over Mr. Chernenko's health was again expressed in the summer of 1984 when he failed to show up in public for more than seven weeks after ostensibly leaving on vacation.

But he reappeared on Sept. 5 at a ceremony honoring three Soviet cosmonauts and seemed in good form.

Mr. Chernenko's style was shown vividly by an article he once wrote. It included a warning that reflected his own unswerving faith in the party and all its works.

"Both at work and in party life," he wrote, "in study and everyday life, always and everywhere, the Communist should remain a Communist, and carry with dignity the lofty title of a member of our party of Lenin."

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Portugal	Esc.	11,200	5,600	3,060
Spain	Ptas.	17,400	8,700	4,800
Sweden	S.Kr.	1,180	590	320
Switzerland	S.F.	372	186	102
The rest of Europe, North Africa, former French Africa, U.S.A., French Polynesia, Middle East				
	\$	284	142	78
Rest of Africa, Canada, Latin America, Gulf States, Asia				
	\$	366	183	109

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## Succession by Gorbachov Seen as a Break With the Old Guard

(Continued from Page 1)

and devoting resources to the civilian economy. Some aspects of Mr. Gorbachov's background are as obscure as his views.

He was born March 2, 1931, to a peasant family in the village of Prilovo in the Stavropol region of northern Caucasus. He was a teenager during World War II, but not known if he was in the area on the Nazis occupied it from 1942 to 1943 or if he was evacuated. From 1946 to 1950, he worked at machine tractor station in the Stavropol region. He then went to Moscow State University, graduated in 1955 after taking the standard five-year law course.

It was in Moscow, in 1952, that Gorbachov joined the Communist Party. Returning home, he steadily through the ranks to become first secretary there in 70.

In 1978, he transferred to Moscow to take the agriculture portfolio in the Central Committee secretariat, the administrative body responsible for the day-to-day running of the country. He succeeded his former Stavropol party leader, Fyodor D. Kulakov, in the agriculture job. Mikhail



Among Politburo members voting during a meeting in 1983 were, front row, from left: Foreign Minister Andrei A. Gromyko, Konstantin U. Chernenko and Prime Minister

pol party leader, Fyodor D. Kulakov, in the agriculture job. Mikhail

Nikolai A. Tikhonov. Second row, from left: Grigori V. Romanov, Viktor V. Grishin, the head of the city party organization in Moscow, and Mikhail S. Gorbachov.

Gorbachov was described as the leader's chosen successor as Communist Party general secretary.

Perhaps because the Kremlin old guard still resisted having a young leader, Mr. Chernenko succeeded Andropov.

The Gorbachovs have at least one daughter and one granddaughter, but little is known about the family.

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## London Council Heeds Thatcher's Local Tax Cuts

The Associated Press  
LONDON — The left-leaning Greater London Council has voted to set a property tax rate within the limit, ending a showdown with Prime Minister Margaret Thatcher's Conservative government.

The council members approved a new rate Sunday night. If they failed to set a rate by midnight, they could have faced stiff financial penalties and possible disaffiliation from office.

Mrs. Thatcher's government has already passed legislation paving the way for abolition of the London Council next year. The Conservatives argue that this council and six other like it are expensive and unnecessary and that their responsibilities could be given to borough councils.

The government had set the rate ceiling in an attempt to curb spending by city governments.

The vote of 60-26 to approve a legal property tax rate occurred af-

ter a 23-hour debate over two days. Rightist members of the Labor Party joined Conservatives and members of the moderate Social Democratic-Liberal alliance in approving the new rate.

Ken Livingstone, leader of the council, which has overall authority for the capital, said he would plan a deficit budget to preserve existing jobs and services. The council's budget for the coming year has been set at £786 million (about \$833 million).

Continued poor performances in agriculture did not appear to hinder Mr. Gorbachov's further rise. He became a candidate, or nonvoting member of the Politburo in 1979 and a full member in 1980.

He acquired his reputation as a reformer when he led a group in the Kremlin that tried to carry out economic reforms and anti-corruption campaigns initiated by Andropov. Soviet sources said that Mr. Gorbachov was personally and professionally close to Andropov during the latter's rule from November 1982 to February 1984.

When Andropov fell ill, Mr.

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# Herald Tribune

Published With The New York Times and The Washington Post

## The Road to 'Star Wars'

Step back for a minute from the epic argument raging over President Reagan's "star wars" idea. How is it that Mr. Reagan and his critics, and the United States and the Soviet Union, find themselves at this pass?

Arms control has reached a stalemate, if not a general crisis. This was signified not merely by the Soviet Union's boycott of the START and INF talks. A substantive deadlock had been reached in those talks. And, in the view of many experts, difficulties in agreeing on a strategic balance, in arranging verification, and in the West, in securing political support for the arms control process had made it increasingly difficult to move ahead. So there was a readiness to look for some new way to transform the situation or at least to create a new chemistry or a new combination.

Deterrence had engendered ever wider skepticism and doubt bordering, on the left as well as on the right, on fear and contempt. For years the right had feared a "window of strategic vulnerability." More recently, the left had come to fear a general breakdown of the nuclear peace. In broaching his idea of a Strategic Defense Initiative, President Reagan was responding to a pervasive discontent with the viability of the theory of mutual deterrence. There was a market for another theory.

Technology, as always, was marching on, making possible inquiries and inventions that had not been thought of in earlier years. All of the separate pieces of the puzzle that are now in the administration's budget were already being worked on, separately, at the time Mr. Reagan made his maiden speech on the idea

two years ago. He did not invent the idea of defense. He assembled its potential in a form that caught the public's attention. Sooner or later America was going to have to deal with the idea of strategic defense in some form.

A crisis of arms control, a perceived erosion of deterrence, the march of technology: This is how we got where we are today, with the Reagan administration carrying proposals to Geneva that are fundamentally new and, to many, upsetting in their current combination but are not new in their separate conception. "Star wars" is not an idea born out of nowhere. It is a particular solution to problems that were recognized as problems even, and especially, by many of those who are now sharp critics of Mr. Reagan's proposed solution.

Whether the SDI is the right solution is, as far as we are concerned, a long way from proven. Certainly on its face it presents extreme new difficulties in technology and no less in politics. A strong case can be made that President Reagan, in investing it with the certainty and fervor at his command, has raised anxiety and opposition unnecessarily and, more important, has made a commitment far in advance of and in excess of what further inquiry will show to be sensible.

Meanwhile, the president, by making the SDI the centerpiece of his Geneva offer and of his whole global strategy, has made it unavoidable for all of us, no matter how we feel about the SDI, to keep studying it. We note that no one has a greater responsibility to have an open mind than President Reagan.

—THE WASHINGTON POST.

## Japan-Bashing Is Unwise

If Japan does not lower barriers to American imports, warns Bill Brock, President Reagan's trade representative, "we will have to decide what steps to take." Members of the Senate Foreign Relations Committee are even less diplomatic. Chairman Richard Lugar wants a 20-percent tariff on Japanese products until Tokyo cries uncle. Japan-bashing is in, and there is reason. Japan has resisted pleas to open its markets to products ranging from medical equipment to communications satellites. Now, as part of a campaign to convince the Japanese that Washington means business, the administration is hinting at retaliation.

Such tactics might make sense if they were sure to work and sure to do no lasting damage to the political alliance. A lowering of Japanese import barriers would be a good thing for both economies. Japan's policymakers owe foreigners, and themselves, an honest effort to open their economy to foreign competition. But liberalized trade cannot do much for beleaguered American exporters — not until the exchange value of the dollar declines. So there is little logic in putting the political alliance at risk or penalizing American consumers with retaliatory tariffs.

Protectionism is basic for the Japanese economy. It sharply raises costs for Japanese consumers and deprives Japan's less-efficient industries of the competition they need to become productive. But the Japanese government's tenacious defense of trade barriers is nonetheless understandable in political terms.

The ruling Liberal Democratic Party copes with conflict by smothering it, until a consen-

sus can be reached in private. That gives interests that speak stubbornly and with a single voice great power to prevent change. It is because of such politics that Japan's tiny farm sector can get away with charging 45 percent more than world prices for food; that mom-and-pop grocery stores can block construction of supermarkets; that a few hundred fishermen can dictate Japan's diplomatic stance on whaling. Consensus politics also explains why foreign demands for access to Japanese markets have met with so little success.

Even if exporters got their way, it is not clear that America would gain much. Some industries, notably telecommunications, could profit. But for all the huffing about fair trade, nobody who has bothered to look at the numbers believes that eliminating all trade barriers could increase exports to Japan by more than \$10 billion a year. That would hardly be more than a statistical blip in the \$140-billion U.S. trade deficit. Mr. Brock candidly admits his "nightmare" that the Japanese do all the things we ask them to do and nothing changes.

The 70-percent rise of the dollar in the last four years has devastated efficient American exporters and cost them thousands of jobs. It is only natural that these companies now demand a chance to sell their goods in the few markets where they still have a price edge. But Japanese trade policies, however stacked Japan's way, are not a primary cause of America's export problem. Reform would be only a minor part of the solution. With so little to gain, Japan-bashing just is not the answer.

—THE NEW YORK TIMES.

## Going After the Mafia

A federal grand jury in New York has indicted nine Mafia figures, charging them with such crimes as extortion, labor racketeering and complicity in murder. Last year there were more than 3,000 indictments of organized crime figures in America, but this case is different. Prosecutors say they have, in this one sweep, reached top leaders of the Mafia, which the indictment depicts as an ongoing criminal operation in America since 1900.

The investigation was a cooperative effort involving the Justice Department, the FBI, state and city police, the New York State Organized Crime Task Force and the Brooklyn district attorney. U.S. officials received assistance from their counterparts in Italy. Crucial evidence was obtained by state officers who were able to plant a bug in a Mafia car. Leadership and determination were provided by FBI Director William Webster, whose decision to make the Mafia a top FBI priority is a welcome departure from the policies of his predecessors and deserves praise.

Forget about that nice Marion Brando worrying about his tomatoes and his grandchild. Don't be misled by the cutey names "Tony Ducks," "Joe Bananas." Not only are these people charged with specific acts of violence and crime, they also run a tightly organized crime empire. More than gambling, drugs, loan-sharking and prostitution are in-

volved. Legitimate industries are nearly captured through the use of force, threats and sabotage, and forced to pay tribute. The New York indictment, for example, charges that the Mafia decided which companies would get large concrete-pouring contracts in New York. They designated the contractor who would make the successful bid, took large kickbacks on the contracts and punished businessmen who would not cooperate by stopping their access to supplies or by creating "labor problems," with the cooperation of corrupt union leaders. The indictment charges Mafia leaders with ordering murders both of outsiders and of competing bosses within the organization.

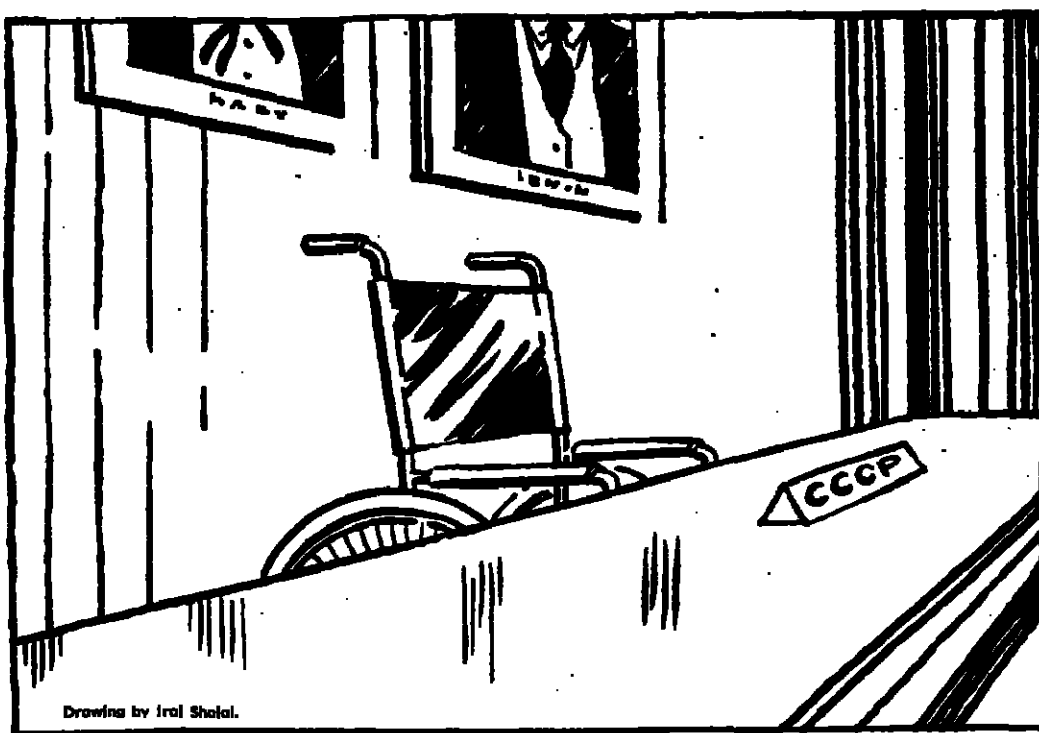
The Mafia does not run all the organized crime in America. A Florida law enforcement official warned last week that Colombian crime families who control cocaine traffic and counterfeiting are, in his opinion, "totally psychopathic... cold-blooded killers" who make the Mafia look good by comparison. Justice Department lawyers have no illusions about the difficulty of combating these syndicates. But they are very optimistic about breaking the Mafia. U.S. Attorney Rudolph Giuliani says that four or five years of indictments like the ones handed down last week, and prosecutions of successive waves of leaders will destroy the organization.

—THE WASHINGTON POST.

## FROM OUR MARCH 12 PAGES, 75 AND 50 YEARS AGO

**1910: U.S. Warships to Use Oil Fuel**  
WASHINGTON — The American naval authorities have not been found asleep by the report that Great Britain has decided to adopt oil as fuel. The keen competition between the two navies is to continue. Naval officers say that the real test will be found in the development of oil fuel as an agent in an increased steaming radius for greater speed. Realizing the tremendous advantage which the American oil fields offer, naval officers say that the time has come to take advantage of the situation and that oil for warships is here to stay. While practically every ship is constructed so that its machinery can be converted from coal to oil, all new battleships will have oil tanks.

**1935: Dane Stages a 'Nazi' Hamlet**  
COPENHAGEN — The line from Hamlet, "Something is rotten in the state of Denmark," has provided the young Danish dramatist Kaj Munk with the theme of a work that has stirred up a violent controversy in theatrical and political circles here. Mr. Munk thinks that there is something rotten in the present state of Denmark. To emphasize his opinion he staged a fantastic version of Shakespeare's tragedy with plenty of interpellations embodying his views. In the Munk version, Fortinbras is a Nazi who arrives by airplane to save the country from the failure of democracy and parliamentary rule. The first-night audience couldn't make up its mind whether to boo or laugh.



Drawing by Irad Shohet.

## Exit Chernenko, as His Men Return to Arms Talks

By Joseph Kraft

WASHINGTON — Death had its logic in claiming Konstantin Chernenko just before Big Two arms control talks resumed in Geneva. For the one achievement of Mr. Chernenko's brief time in authority was the renewal of the arms talks.

It is fit, too, that at the time of death a colleague in the Politburo, Vladimir Shcherbitsky, was in the United States probing American attitudes. For what Mr. Shcherbitsky has been saying provides a strong sense of how the Soviet political leadership views arms control and its problems.

Technically, Mr. Shcherbitsky came to America in an exchange program between the U.S. Congress and the Supreme Soviet, Russia's rubber-stamp parliament. Before cutting short the trip to return to Moscow for the funeral, the delegation of 33 persons spent four days in Washington. Both in public and in a private session with President Reagan, arms control was the prime subject.

Most of the public statements were made by well-known members of the delegation, General Nikolai Chervov, a leading military figure in arms control, repeatedly let it be known that if the United States went along with its "star wars" program for anti-missile defense, the Russians would take appropriate countermeasures, including a buildup of offensive weapons. And Georgi Arbatov, of the Institute of the U.S.A., intimated in a Washington television broadcast that U.S. pursuit of "star wars" would "ruin" chances for arms control.

But Mr. Shcherbitsky is not to be confused with those smaller fry. He is a Soviet pol, a member of the Politburo since 1971, and first secretary for the Ukraine since 1972. One Reagan administration official who spent time with him was reminded of America's last potent big-city political boss, "Shcherbitsky," he said, "is a Russian Mafia Daley."

Like the late Chicago mayor, Mr. Shcherbitsky is associated with a distinct wing of national politics. He rose as a protégé of Leonid Brezhnev. He had close ties to another Brezhnev protégé — Mr. Chernenko. Like Mr. Chernenko he was identified with the faction in the Kremlin that promoted détente with the United States in the

early 1970s. Mr. Shcherbitsky was named Ukrainian first secretary on the eve of the Brezhnev-Nixon summit meeting of 1972. That move assured Mr. Brezhnev a majority for détente within the Politburo.

In a formal statement distributed by Tass, Mr. Shcherbitsky echoed the hard line on "star wars" set out by General Chervov and Mr. Arbatov. But he sounded a different note when he spoke to reporters on the White House lawn after a session with President Reagan. Asked whether a Big Two agreement on arms control was possible, Mr. Shcherbitsky said:

"In all the previous agreements there were some compromises and we are ready to agree to a number of compromises. If the United States will go along that line, then a compromise agreement could be achieved and the people would breathe freer. The Soviet Union regards the United States with great respect, and no one in my country thinks about attacking the United States...."

The contrast between that conciliatory tone and the harsh line of the lesser lights underlines a problem confronting Russia in the Geneva

talks. To keep their own people alert and disciplined, Russian officials have to enter the talks sounding off about the menace of Western imperialism. That is particularly true now during the time of transition required by Mikhail Gorbachev to consolidate his power as general secretary in place of Mr. Chernenko.

But the Russians cannot bluff and puff about the talks on the long-range intercontinental missiles; not about the negotiations on the intermediate-range Euro-missiles. They walked out of those sessions in 1983. But since they have now returned voluntarily, the talks cannot be all bad. Threats far from uniting Russians and dividing Westerners, only serve to remind the world of a Soviet failure.

"Star wars," however, is a new item on the agenda. It has aroused apprehension among many Americans and Europeans. If "star wars," as claimed by its proponents, puts the United States on the road to a more effective defense against missiles, it is only logical for the Russians to step up their offensive capabilities.

So for all these reasons, dutiful exponents of the Moscow line are

## The Question in Geneva: Is Arms Control the Aim?

By Flora Lewis

PARIS — After all the briefing, there is still considerable confusion among allied officials as well as in the general public about the American approach to the Geneva arms talks. This is not surprising.

At the last minute the White House said that the American negotiators would have "half a dozen options" to pursue from the start. This was explained as providing "more flexibility" to the team. In fact it shows that the long fight on arms control inside the Reagan administration still has not been settled.

A group of the best-informed congressional leaders found it necessary last week to condition support of the president's nuclear weapons program on signs of U.S. "good faith" in Geneva. Questions of Soviet "good faith" are usual, but this means con-

gressional leaders know that key administration battles continue.

All indications are that the Soviets have not decided on their basic approach, either, so in a sense there is still time for Washington. But there is a better chance for providing Soviet compromise if the United States knows what it is really after.

So far the two crucial elements of the American position that appear to be common to the variety of official statements are:

• Persuade the Soviets to change their arsenal from prime reliance on heavy, multiple-warhead land-based missiles to a mix that would reduce their capacity for a first strike. This is implicit in the call for "deep reductions" and for a change in the method of counting forces.

• Persuade them to consider eventual revision of the anti-ballistic missile treaty looking toward introduction of widespread missile defenses.

But how to go about this, and most important, the real goal, are still very much in dispute.

Paul Nitze, now special adviser to the secretary of state, has delivered the one comprehensive, lucid answer to come from the administration. Mr. Nitze is no longer a negotiator. He says he is laying out the agreed position, and that is a veteran, loyal public servant. But almost everybody else

**Nitze's aim would be to sell the Soviet side on agreements that 'serve their national interests as well as ours.'**

speaking for the administration is saying something different.

Mr. Nitze's "strategic concept" envisions three phases. In the near term the next decade, it would seek to cut back "entirely too high" offensive arsenals but still rely on retaliation for deterrence. Both the United States and the Soviet Union would conduct research on missile defense but "remain in conformity with the ABM treaty." Any changes would require agreements beforehand.

In a transition period during late decades, the concept envisions a "cooperative endeavor" to move toward an offense-defense mix. First it would have to be established that "star wars" defense meets two exceedingly tough requirements: I would have to be "invaluable," that it would not just add targets to a first strike; and it would have to be "cost-effective" — cheaper than adding offensive missiles and countermeasures to overwhelm it, and thus not just escalating the arms race. Mr. Nitze stresses that if this goal is achieved, defense would be introduced only by agreement, "at a measured pace" and in a "regulated and phased way." Ultimately the goal is to rely on defenses, bringing off nuclear powers and other types of nuclear arms under the agreements.

This makes sense. One may disagree at various points, but it is coherent. It is an arms control position. Mr. Nitze says realistically that the transition "could be tricky," which is quite different from Undersecretary of Defense Fred Ikle's claim that the process is inherently "stabilizing."

Mr. Nitze's conception reflects the underlying argument in Washington and the reason for the congressional group's unease. At all steps, he accepts the need for "mutuality" of Soviet and American interests. He says that the aim of the exercise is to convince the Soviet side that projected accords will "serve their national interests as well as ours." The goal he sets forth is "stable and reliable" strategic relations.

Mr. Nitze has an established record as a hawk. He has no doubt that Moscow wants a communist world and no intention of ceding anything that would make it more possible. But he also knows that the United States cannot expect to "prevail" by force, and that the world needs peace.

This is the critical, central point. Should the United States arm and negotiate to "stabilize" or to gain time in the illusion that it can win? The fate of humanity may hang on the answer. Let us hope that Mr. Nitze's concept will be included in President Reagan's instructions to the American team.

The New York Times.

## Meanwhile, Proliferation Approaches

By Sadruddin Aga Khan

GENEVA — Readers of the International Herald Tribune have been treated to a number of interesting articles on nuclear disarmament. However, the most important dimension of the nuclear arms race has, with one or two notable exceptions, been missing.

As under the media are lights the American and Soviet negotiating teams begin the painstaking business of trying to decide how many high-tech warheads to allow each other and whether they can take their competition into space, probably at least a dozen countries are pressing on with a much more mundane activity.

Those countries are building unpretentious little bombs that the Americans and Soviets would barely design to count in their estimates of

each other's firepower. But these are still nuclear warheads that would cause huge human suffering and could blow a big hole in world peace.

East-West relations have for so long been the frame within which some people have viewed the threat of the bomb that proliferation — that is, an increase in the number of bomb-owning countries — is overlooked. There are four reasons for believing that proliferation will not be low for much longer.

First, the climate of thinking in the Third World is changing significantly. When a group of national leaders met late in January in Delhi under the chairmanship of Rajiv Gandhi, they were bitterly critical of the superpower arms race but they no longer repeated a pledge against proliferation. There is a groundswell of thinking that, yes, the bomb is dangerous and has a destabilizing effect, but if others are not going to renounce it, why should the Third World leaders continue to postpone ambitions for a bomb of their own?

In a world with bombs, not to have it may seem more dangerous than having it. There are a handful of confederations around the world — in the Indian subcontinent, the Middle East, southern Africa — where if one side announced it had the bomb, that would radically change the reckoning, at least in the short term.

Second, overlying this thinking is a belief that the five nuclear powers behave as though the bomb were their exclusive business. Now the U.S. Defense Department has conceded that the damage to the climate which even a limited nuclear exchange would cause would be widespread. Like it or not, Third Worlders would be victims of the First World's war, should it ever happen. This triggers a deep sense of grievance.

Third, "star wars" talk is misleading because it revives the myth that

nuclear weapons are somehow a fancy technology. Not so anymore. And the commercial ambition of Western firms, pushing nuclear power as hard as they can, means quite enough plutonium or uranium has been left around to provide the means for a bomb. Bomb-making is now a feasible option for many governments and also for terrorists. One government reportedly is developing a suitcase-size bomb because that happened to be the set of plans that its nuclear industrial espionage turned up.

Fourth, even if proliferation has been a hidden sub-plot to the superpower nuclear drama, leading members of the cast are interested. I am organizing a meeting in Geneva in June to give the issue the airing it deserves, and I have been agreeably surprised by Soviet and American response. On the American side, Richard Perle, the Pentagon hardliner, and Senator Edward Kennedy have both said they will be coming. Anatoli Gromyko, son of the foreign minister and head of his country's Africa institute, will lead the Russian group. They are going to meet equally prominent figures from elsewhere in the world and their discussions will be in front of the world's press.

But such a meeting means more than put the issue higher on the international agenda. Nuclear weapons have, according to their supporters, given Europe 40 years of an underlying balance of interest in restraint on both the Soviet and the American sides. Now both must face up to the fact that they have effectively lost their nuclear monopoly and that the potential for nuclear conflict is being imported into regional situations where they do not so clearly call the shots and where the incentives for restraint may be fewer.

If the superpowers want to make the world a less dangerous place, they must not talk just to each other but turn outward and start listening to and bargaining with the rest of us.

International Herald Tribune.

## Mere Growth Can't Cure The U.S. Budget Deficit

By William H. Gray 3d

The writer, a Democrat from Pennsylvania, is chairman of the Budget Committee of the U.S. House of Representatives.

WASHINGTON — Will the real President Reagan please stand up? Or, at the very least, let me tell you whether he thinks America has a deficit problem?

On the one hand there is the President Reagan who delivered, as only he can, a stirring and uplifting State of the Union address on Feb. 6. He said that the best way to reduce deficits is through economic growth — that "each added percentage point per year of real GNP growth will lead to a cumulative reduction in deficits of nearly \$200 billion over five years."

Then there is the President Reagan who signed the president's budget message of Feb. 4. Here he acknowledges that America faces deficits of \$225 to \$250 billion over current policies, and says that he wants to cut spending by about \$240 billion over the next three years to reduce them.

While the budget message does not name any of the "excessive federal benefits" that Mr. Reagan proposes to eliminate or reduce, David Stockman follows with several hundred pages of painful detail. Strangest of all, there is no mention of "growing our way out" of the deficit. Indeed, Part 3 of the budget explains why it is "highly unlikely" that the economy could grow continuously, without inflation, at 5 percent a year — i.e., that "added percentage point per year" above the optimistic 4 percent assumed in the budget.

Because the president has given such ambivalent signals, there is real doubt in the land whether a deficit-reduction effort is necessary. The House Budget Committee recently held hearings across the country to find out what the deficit and the president's budget proposals mean to Main Street. Not surprisingly, we found many citizens who were not eager to climb aboard the Spending Cut Special. Many are simply puzzled. If the president's economic program has worked as well as he claims, if indeed we are safely launched on a second American revolution of hope and opportuni-

ty, why worry about the deficit? Main Street's puzzlement and reluctance, of course, are reflected in Congress, especially as spending reduction moves from rhetoric to painful real choices.

Unfortunately, the reality is this: We are not going to outgrow Mr. Reagan's deficits. The evidence of the last several years is compelling: The United States has now had more than two years of near-record recovery, faster than almost anyone projected, yet the deficit has not fallen. The recession-bloated deficit in 1983 was \$195 billion; in more prosperous 1985 we expect \$203 billion.

Why? Simply because the Reagan administration's tax and spending policies have produced a structural deficit — that part of the deficit not related to economic performance — that rises too rapidly to be submerged by the rising revenues from economic growth.

Without the growing structural deficit, the strong economic recovery should have reduced the deficit by about \$70 billion in the last two years. However, the structural deficit has expanded at the same time by slightly more than \$70 billion, offsetting the effects of recovery.

In the next few years the situation will get worse. As expansion inevitably slows, its deficit-reducing effects are sharply reduced. But the structural deficit keeps growing by about \$25 billion each year to the end of the decade.

So the problem is real enough, and many of us in the House and Senate, Democrats and Republicans alike, are trying to mobilize our colleagues and the American people to accept the harsh necessity of painful spending cuts.

We need the president's help. We will need his support eventually for a budget that is fairer and more balanced than his proposal. Most of all we need his leadership now in explaining to America that the deficit problem is real; that we are not going to outgrow it with supply-side hormones. And that the cuts are going to hurt.

The Washington Post.

## LETTERS TO THE EDITOR

### Europe in Perspective

Regarding the editorial "Europe, Don't Despair" (March 2):

Congratulations. Your editorial is right on target and puts the current malaise in Europe in perspective. Europe does have difficulties, but they need not be permanent. America's recent recovery is due in large part to a renewed faith in itself, kindled by an administration with a strong and determined leader. Europe cannot have a single "knight on horseback," but, as you so rightly point out, a cooperative consensus and creative leadership within the European Community and the European Free Trade Association can help restore both her economic and her moral strength.

BARRY EDGAR,  
Epalinges, Switzerland.

### Contraception, Abortion

As an American living abroad, I am deeply interested in the politics of my country but, currently, more and more puzzled by them. President Reagan has cut off funds to the International Planned Parenthood Federation because some of those funds went for abortions or abortion counseling. Of eight anti-abortion bombings in the Washington area, three were of Planned Parenthood offices. The anti-abortion lobby opposes contraceptive ads on television.

### In Defense of the Miners

In response to the editorial "After the Coal Strike" (March 3):

I was amazed by your interpretation of the facts. The miners' strike was a long and bitter industrial dispute, complicated by violence and intransigence. But surely the miners deserve more than a patronizing dismissal of their cause because of "market economy" reasons.

The issues are complex, and your assertion that the strikers were demanding to be subsidized by the British people is offensive.

DAVID MILLER,  
Brussels.

MARGARITA MacLAREN,  
London.

### Why Macmillan Resigned

Columnist William Safire, in "Steps Britain Should Take to Prevent a 'Maggiegate' (Feb. 19), was quite wrong to say that Prime Minister Harold Macmillan "honourably resigned" over the scandal surrounding John Profumo. Mr. Macmillan resigned in October 1963 because of ill health — indeed, from his hospital bed — several months after making clear that he was not going to resign because a minister in his government had lied to the House of Commons.

JEFFERY PHILLIPS,  
Limassol, Cyprus.

### Whither Philosophy?

In response to the report "Caricature in 'Disarray' U.S. College Group Says" (Feb. 12) by Edward B. Fiske:

I am amazed that philosophy is not listed among the "experiences" recommended by the Association of American Colleges. No indication that the "science of wisdom" exists? We should not cram philosophy or theology down anyone's throat, but "Quo vadis?" is still pertinent.

J.P. CANNIZZO,  
Zurich.

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NIGERIA

A SPECIAL ECONOMIC REPORT

TUESDAY, MARCH 12, 1985

Page 7

Foreign Policy Puts Economic Shield First

By Alexander Thomson

LAGOS—Hardly a day goes by without a report in the Nigerian press of yet another government measure to stamp out smuggling and control the country's porous borders. Yet, it is still possible, although more difficult, to drive along bush tracks to the market in Otonon, Benin's capital, and buy contraband with local-market naira. To the north, Hausa traders cross borders to deal with their counterparts in Niger, 10-ton trucks roar across the remote eastern state of Gongola into Cameroon, and Nigerian goods are openly on sale in Chad's capital of Nijamena.

Nigeria is surrounded by four francophone countries, all of which use the French-supported CFA franc, a firm currency in comparison to the overvalued naira. Nigeria is the largest and most attractive market in the region, the price of its oil is the cheapest, and the neighboring countries have for years benefited from legal cross-border trade to which they usually have armed a blind eye.

Inevitably, this has led to tensions. The decision to close all borders, taken last year by the military government in the midst of a currency changeover exercise, hurt Nigeria's neighbors badly. Despite strong pressure, Nigeria has kept those borders closed, although it is allowing, on a case by case basis, emergency food aid to cross its borders into famine-ridden Chad and Niger.

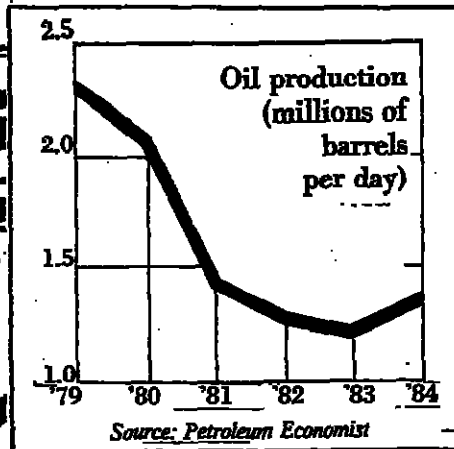
Earlier this year, Nigeria also signed agreements with Togo, Ghana and Benin to further control cross-border smuggling through cross-border cooperation, an extradition agreement and measures to stop the flow of illegal immigrants, an issue that flared up two years ago with the expulsion of millions of illegal foreigners and that could pose further problems with the drift into Nigeria of families and tribes displaced by the famine and drought in the Sahel.

Nigeria is aware of the sensitivities of its smaller neighbors and is anxious not to appear the inconsiderate bully. Despite what may seem selfish measures, it is setting out to revamp the largely moribund regional grouping of the Economic Community of West African States (ECOWAS), in which it hopes to play a more active role.

But while regional cooperation is a priority, Nigeria argues that it must put its own interests first. As the external affairs minister, Ibrahim Gambari, bluntly put it in a recent interview: "The closure of the borders may be a bad thing, but the collapse of the Nigerian economy would be worse for all."

One of the major obstacles to true regional cooperation, as seen from Lagos, is the existence of other regional groupings, particularly the Economic Community of West Africa (CEAO), which brings together francophone African countries that are tied to the three strings of the former colonial power, France. Although Nigeria seems to have forgiven France's close support of the Biafran secessionist movement, relations remain ambivalent. France is a major trading partner, French interests in Nigeria are more substantial than in any of its former colonial possessions. But

(Continued on Page 9)



Investment Needed to Assure Oil Output

LAGOS—Nigeria faces huge spending to develop new oil fields over the next few years if the country is to avoid a steep decline in production capacity, industry executives here say.

The need for heavy investment in developing fields comes at a time when the government is desperately short of funds, but oil executives here see little alternative.

"Oil is so far the only thing of substance that makes our economy tick," Tam David-West, the oil minister, observed in an interview.

He added, however, that, in line with its austerity program, the government was likely to postpone parts of its ambitious plan to develop a petrochemical industry.

The country's production capacity has fallen swiftly from a peak of about 2.4 million barrels a day in 1979.

Mr. David-West estimated current capacity at 2 million barrels a day, but foreign oil executives put it at 1.8 million or 1.9 million.

While capacity remains well above Nigeria's OPEC production quota of 1.45 million, it is falling about 10 percent a year, and some oil executives say it is likely to be around 1.5 million barrels a day by the end of 1987.

That would limit Nigeria's ability to take advantage of any rise in oil demand.

Nigeria has plenty of undeveloped reserves to tap. The local affiliates of Mobil Corp., Royal Dutch/Shell and Chevron Corp. all appear eager to develop sizable discoveries, provided the terms are attractive.

But Nigerian National Petroleum Corp., or NNPC, the state oil company, which on average puts up 70 percent of the cost, has not scheduled any major developments for this year.

Since fields take two or three years to develop, there is little prospect of reversing the slide in

production capacity for several years, some executives argue.

Others contend that there is no need to rush development of new fields, given the outlook for demand, and Mr. David-West said he did not foresee any squeeze on capacity over the next few years.

Exploration also is declining, partly because oil companies doubt they will be able to increase their Nigerian production substantially anytime soon. The number of drilling rigs operating has fallen below 10 from around 30 four years ago. Dresser Industries Inc., a big U.S. oil-services company, has slashed its staff and closed its office in Port

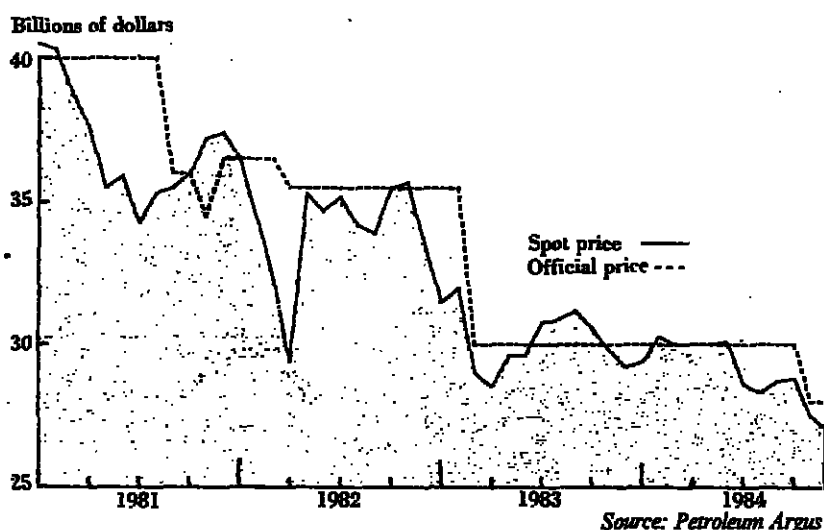
Harcourt. Other oil-services concerns also have reduced their staffs or pulled out.

For its part, NNPC is drilling in the Chad basin, an untested area in northeastern Nigeria. That program so far appears to have produced nothing exciting. For their part, the foreign-affiliated oil companies have shied away from drilling in northern Nigeria, preferring to stick to the southern deltas and offshore areas, where Nigeria's oil production is concentrated.

Despite the strengthening of world oil prices, Mr. David-West said Nigeria remained ready to

(Continued on Page 10)

NIGERIAN LIGHT: A HISTORY OF PRICE-CUTTING



Journalists Run Counter New Restraints on to Tradition

Special to the IHT

ABIDJAN, Ivory Coast—Nigeria, which once had the reputation of having the freest press in Africa, as had to cope with restrictions on the media since the military seized over 14 months ago.

Two prominent Nigerian journalists are serving prison sentences for their reporting. Another has been held without trial for more than a year, and many others have been detained for weeks for questioning without being charged. Nigerian journalists say that the situation has led to a considerable weakening of the mass media's independent stance and has virtually ended investigative reporting.

Nigeria's journalistic tradition is long and distinguished, dating back 25 years, when the first Nigerian newspaper was founded. It is a tradition that, like the Nigerian people, includes a feisty independence

and love of palaver. It is also a tradition that places its leaders under close scrutiny.

The electronic media in Nigeria, including more than 20 television stations and 40 radio stations, is entirely owned by the federal and state governments. As a result, they tend to be more conservative and less controversial. In the print media, however, private ownership is allowed, and 16 major daily newspapers and countless weeklies compete for readership and advertising revenue.

Many of the largest dailies are owned by wealthy individuals with political ambitions or, during the era of civilian rule, by political parties. As a result, during the 1983 election campaign, many members of the mass media became highly partisan. Charges and countercharges against politicians, often unsubstantiated, were published, and the only recourse for an of-

fended party was a lengthy and costly court case.

In 1983, when the military overthrew the civilian government of Shehu Shagari, it made it clear that it would impose some restraints on the media. The head of state, Major General Mohammed Buhari, told Nigerians six weeks after the coup that although he supported a free press, a section of the media was capable of abusing that freedom to the point of endangering national security.

The general said he had been unfairly treated by the press when, as head of the Nigerian National Petroleum Corp., during the government of Lieutenant General Olusegun Obasanjo, who took over in 1976, he was accused of diverting 2.8 billion naira (about \$3.5 billion). He said that if it had not been for the judicial inquiry that dismissed the allegation, he would have been "lynched."

In April 1984, the federal military government issued Decree No. 4, which stated, in part, that any person who disseminated false information about the government could be sentenced to up to two years in prison; an organization that gave out false information would be fined a minimum of 10,000 naira.

The decree also gave the government the right to seize any equipment used to disseminate such information, thus making it possible to close down virtually any offending organization. The decree was welcomed by some journalists, who had criticized certain of their colleagues for a lack of responsibility. However, most objected to sections of the decree that stated that publishing any news reports that ridiculed or embarrassed a government official was also an offense, that the burden of proof was on the journalist and that cases would be judged

by a special military tribunal composed primarily of military officers.

The tribunal soon had its hands full. Two journalists for The Guardian, a young newspaper that had been outspoken and often critical of government, were put on trial under Decree No. 4. The diplomatic correspondent, Tunde Thompson, and the assistant news editor, Ndaka Irabor, were charged with publishing a false report on proposed ambassadorial changes in a number of Nigerian embassies. When, much later, the appointment list was released officially, nearly half of the dozen changes announced by The Guardian were correct. Because of the inaccuracies, however, Mr. Thompson and Mr. Irabor were each sentenced to a year in prison and the newspaper was fined 50,000 naira.

Sources close to the case say that the military government was less

upset by the inaccuracies in the article than by the fact that it had been leaked from a senior level in the military command. The government wanted to know the source of the list but the journalists refused to reveal it.

Other, more prominent journalists were detained sometimes for weeks for questioning. They included the editors of The Guardian, the National Concord and The Punch. In fact, the editor of The Punch has been in prison for more than a year. He has yet to be charged.

In July 1984, many senior executives in the government-owned media were removed. In August, it was reported that civil servants had been forbidden to talk to reporters. And in September, the government established a committee to monitor the media.

The government's moves pro-

(Continued on Page 9)

Going It Alone: Austerity Puts Nation to Test

By Bob Haggerty

LAGOS—Nigeria is testing the limits of how much austerity an oil-rich country can bear.

In an attempt to resurrect the economy and pay its debts on time, the military government has slashed imports and spending in a way few countries have managed. "We are paying our debts and we are no longer begging anybody," Major General Mohammed Buhari, the head of state, said in his budget speech in January.

In most countries, the foreign bankers would be cheering. Here, they credit the government with impressive belt-tightening but are uneasy with the Nigerians' insistence on healing their economy in their own way.

Many foreign bankers and businessmen—and a few Nigerians—argue that the country needs to take the conventional cure: a major devaluation of the currency, an agreement to borrow from the International Monetary Fund and a modest postponement of its medium- and long-term loan payments. The present course, these critics say, threatens to strangle what little industry Nigeria has and fails to address the fundamental problem of an overvalued currency.

"You wonder," says a foreign accountant, "if the belt isn't around their neck instead of their stomach."

Whatever the merits of the government's self-reliant strategy, Nigeria is for now a case of arrested development. The office towers in central Lagos glint on the outside and crumble within for lack of maintenance. Hawkers wade through the dust and the traffic jams, waving maps, toilet paper and even telephones. Business is slow all over, and everyone is waiting for a recovery that the government says will take several more years to attain.

Four years of falling oil prices have been devastating. Although the country still exports small amounts of cocoa, tin and rubber, oil accounts for more than 90 percent of export earnings. The slump has reduced Nigeria's oil revenue to about half the 1980 peak at a time when the country faces a bunching up of repayments on debt contracted in the euphoria of the 1970s. Meanwhile, farm production continues to fall short of population growth and the country relies on heavy imports of grain and rice.

Faced with this situation, the government has laid off many civil servants, reduced social benefits, postponed major industrial projects and imposed harsh penalties for those caught stealing from the state, including the death sentence for smugglers of oil products.

Through such stern measures, the generals reduced the government's budget deficit to 3.3 billion naira (\$4 billion at the official exchange rate) in 1984 from 6.2 billion naira in 1983.

They also have shown determination to pay off Nigeria's \$20 billion or so of external debt. Payments on medium- and long-term debt have been kept current, and the government slowly is beginning to refinance the estimated \$6 billion to \$9 billion of arrears on trade debt built up in the last two years of civilian government.

Paying debts so quickly is pain-

ful, however. General Buhari estimated that this year's debt payments would consume 44 percent of the government's foreign-exchange spending. Estimates of debt payments over the next few years vary widely, but many bankers believe debt servicing will continue to eat up about half of available foreign currency through 1987.

So there is little left over for imports. This year the government projects that they will fall another 33 percent, to around 3.2 billion naira, less than a third of the average for 1980-1982.

"We are paying the price for the oil boom," said E.A.O. Shonekan, chairman and managing director of UAC of Nigeria Ltd., an affiliate of Unilever and the country's biggest company. What the government must teach Nigerians, he added, is "that you have got to work hard before you can spend money."

Only the favored industries will receive enough import licenses to stay healthy. Others face the choice of scrambling for local raw materials or closing down.

As one way to reduce imports, the government is stressing agriculture, to which nearly a fifth of 1985 capital spending is devoted. But Nigeria's farm economy is in sorry shape.

"It's full circle," lamented an American banker with decades of experience in Africa. "Nigerian agriculture has literally gone to seed."

Oil riches in the 1970s allowed the Nigerians to acquire the habit of eating more of such import-dependent luxuries as rice and bread and less of such local staples as cassava, yam and plantain. Twenty years ago Nigeria was a big exporter of palm oil and peanuts; now both are imported.

To deal with the situation, the government is requiring banks to lend more to farmers. Big Nigerian food companies, such as A.G. Leventis & Co. and UAC of Nigeria, are being forced into agricultural projects as a way to obtain raw materials they can no longer import.

The government hints that it might allow foreign companies to take as much as 80-percent ownership in some agricultural projects, though there have been conflicting statements on the matter. "Our doors are open," insists Bukar Shaib, the agriculture minister. But most foreign companies are waiting for details of the incentives before striding in.

Certain industries are receiving favorable treatment as government priorities, among them petrochemicals, fertilizer, cement, sugar, paper, steel and the long-discussed proposal to produce liquefied natural gas.



Inset: Gulf-Mountain/PH



Assembling Peugeot automobiles at the Kaduna State factory.

U.S.-Nigerian Relations in a Holding Pattern

By John M. Goshko

WASHINGTON—As Nigeria's 14-month-old military government struggles to restore the country to prosperity, relations between the United States and black Africa's economically troubled, oil-exporting giant have lost the high-priority character they had in the days when Washington viewed Nigeria as the pivotal country of the region.

But they remain generally cordial.

U.S. officials and diplomatic sources say that relations have not been affected adversely by the fact that Nigeria's financial plight has been caused, in part, by the precipitous drop in American demand for the oil that provides the bulk of Nigeria's foreign exchange earnings.

According to the officials, Nigeria recognizes that the loss of its once pre-eminent position in the U.S. oil market was due to natural market forces rather than any calculated trade discrimination. Despite greatly decreased U.S. purchases of Nigeria's expensive, high-grade oil, the United States still absorbs roughly 30 percent of Nigeria's total exports, while providing only 7 percent of Nigerian imports.

The officials said that present U.S. policy assumes that the government of Major General Mohammed Buhari, which took power after a military coup at the end of 1983, will be preoccupied for some time with internal problems of debt management, imposing economic austerity on its people and attacking inept management and corruption at every level of government.

Given the inward-looking nature of Nigeria's policy priorities, the officials added, the United States is basically in the position of a friend, standing ready to offer encouragement and ad-

vices. But, the officials stressed, even that must be done with a discreet concern for Nigerian sensitivities about outside interference.

That is particularly the case in respect to Nigeria's hopes of rescheduling payment on the insured trade debt that it owes to foreign governments. This plan would be along the same lines as the rescheduling agreement it reached in 1983 with 60 foreign banks. Under present circumstances, the Buhari government will have to spend an estimated 40 percent of its foreign exchange earnings on debt service, and it wants to stretch out payments to its government creditors.

The relationship reflects restrictions and diminished expectations stemming from Nigeria's struggle to recover.

However, the major creditor countries—the United States and the members of the European Community—have adhered to a strict policy of not rescheduling insured debt until the debtor nation has agreed with the International Monetary Fund on putting an austerity program in place.

Up to now, the government has been unable to come to terms with the IMF. It fears the political consequences of asking its people to accept even bigger doses of austerity in the form of currency devaluations and reductions of domestic subsidies for petroleum products. The U.S. position, as described by one State

Department official, "is to avoid any suggestion that we are beating on them to accept the IMF's demands."

Instead, the United States, while quietly pointing out the advantages of being able to tap IMF technical expertise and possible loans, has said that it is up to the Nigerians and the IMF to work out their differences.

The restricted nature of the present relationship represents a major shift from the high hopes that U.S. policymakers had for Nigeria when it gained its independence from Britain in 1960. Then, U.S. diplomats assumed that Nigeria, with its large population, its oil wealth and its British-trained ruling elite, inevitably would reach beyond West Africa to become the leader of the black African bloc of nations.

The visit of President Jimmy Carter to Nigeria in 1979 was intended as a symbolic recognition of Nigeria's importance and of Washington's hope that close ties would make Nigeria an interlocutor for U.S. views and interests throughout the continent.

But the idea that America's Nigerian connection could transcend bilateral relations and have a nationwide impact has been frustrated continually by tribal animosities and other problems, which have resulted in civil war, in 1967, and a cycle of political corruption and military coups.

More recently, the world oil surplus has shown that Nigeria is not immune to the problems of countries whose economies rise and fall on the export of a single commodity. Following the shakeouts in oil supply patterns produced by the energy crisis of the 1970s, Nigeria succeeded, for a time, in standing alongside Saudi

(Continued on Page 9)



## A SPECIAL REPORT ON NIGERIA

## Going It Alone: Austerity Puts Nation to Test

(Continued From Previous Page)

ral gas for export. Parts of the petrochemical project are expected to be delayed, however, and the steel industry is widely dismissed as a failure of planning.

Some state-owned companies, such as the telephone monopoly and certain agricultural operations, are candidates for sale to the public, though no major sales seem imminent.

While the government says it wants to attract more foreign investment, businessmen say it is still far too difficult to convert naira profits into foreign currency and to obtain approvals from Nigeria's grinding bureaucracy.

"God help anyone who wants to set up a new business," said a senior British executive at one of Nigeria's biggest manufacturing companies. "I've come across people who sat in the hotel lobby for two years, even though their projects were things the government was keen to promote."

Nevertheless, General Buhari said in his budget speech that 1985 "will be a year in which the country can start to recover." He predicted that gross domestic product would grow 1 percent after shrinking more than 10 percent over the previous three years.

Foreign observers are not so sure.

They do acknowledge that the government has managed to keep Lagos cleaner and that electricity and water supplies are more reliable, only partly because the recession has reduced demand. Foreign businessmen also generally say the new government's economic management is superior to that of the civilian government.

Still, the costs of the government's economic strategy are heavy.

Prominent among them is unemployment. No figures are available, but the anguish is evident. Nigeria's big trading and industrial conglomerates have let go as many as half of their employees since the recession began.

Many foreign companies also are shrinking their staffs. Continental Illinois Corp. is trying to sell its local affiliate, and some other U.S. banks are believed to be eager to depart. Most foreign companies, however, appear willing to wait for Africa's largest economy to recover.

Inflation also punishes the Nigerian masses. The government estimated 1984 inflation at 40 percent; many foreign analysts say it is high-

er, though no reliable statistics are available.

Feeding the inflation are severe shortages caused by import restrictions. Car tires cost the equivalent of at least \$350 (converting the naira at the official rate) and have become popular as carry-on luggage on flights to Lagos. A box of 100 tea bags that sells for 70 pence in Britain is offered in Lagos at about 20 times as much. Eggs cost as much as \$4.80 a dozen.

The need to ration imports means cumbersome regulations. A businessman may receive a license to import vital materials after months of waiting, but he still does not know when he will receive the foreign-exchange allotment needed to buy the goods.

As a result of such shortages and uncertainty, Nigerian factories, which mostly are mere assembly operations, typically operate at around a fifth of capacity, according to Oladapo Fafowura, executive director of the Manufacturers' Association of Nigeria.

In some cases, shortages produce fat profit margins on what little product can be sold. But the cost is high inflation and unemployment.

In addition, Nigeria's economy suffers from all the distortions that go with an overvalued currency. The official rate is about \$1.20 to the naira. On the black market, the naira is worth only a fourth or a fifth as much, as almost any hotel clerk can tell a foreign guest.

The harsh penalties, much of Nigeria's energy and ingenuity goes into smuggling and other black-market dealings.

Imports are artificially cheap, and exports other than oil, which is priced in dollars, are hopelessly expensive.

That is why many foreign observers hope Nigeria eventually will cave in to IMF terms similar to those agreed upon in 33 other cash-strapped countries with loans from the fund. Discussions on Nigeria's request for a \$2.4-billion IMF loan have stalled over the fund's call for a devaluation and a reduction in subsidies for local users of oil products.

An IMF agreement would make foreign banks and export-credit agencies more willing to stretch out Nigeria's loan payments. Some bankers say, however, that the banks just might agree on a rescheduling without an IMF program, especially if Nigeria seemed to be fulfilling most of the usual IMF demands.

In any case, many banks and

businessmen think some kind of rescheduling is necessary to keep the economy functioning. Without rescheduling, warned Mr. Fafowura of the Manufacturers' Association, "it's going to be even tougher next year."

The government has made it difficult to reschedule, however, by making an emotional issue of its resistance to IMF terms. "They have painted the image of the IMF as a rapacious vulture hovering over Nigeria," said a British economist here.

The government's main fear of devaluation appears to be that it would pump up inflation further by multiplying the naira cost of imports. Thus, say the government's defenders, any sudden devaluation would bear huge political risks. "You can't repay your loans if people are fighting in the streets," a Nigerian banker observed.

## Exchange-Rate Pride Blocks IMF Loan Package

By Howard French

LAGOS—No economic issue in Nigeria has been so widely discussed and debated as the country's running negotiations with the International Monetary Fund for a major loan. Perhaps the most controversial element of any loan package is the fund's insistence that Nigeria devalue the naira.

An agreement with the IMF would clear the way for a refinancing of Nigeria's trade debt of more than \$2 billion and inject new funds into the economy.

Since negotiations between the government and the fund broke off in 1983, a military government has come to power, instituting some of the elements included in the loan package. It had been expected that the military leaders would accept an IMF deal, placing responsibility for the sacrifices required for economic restructuring on the largely discredited government of former President Shehu Shagari. Instead, the military has made a sticking point of the devaluation issue.

As a Lagos banker put it, "A high exchange rate has become a matter of national pride here."

Nigerian officials have argued against a devaluation, accusing the IMF of imposing "stock solutions that inevitably include a massive devaluation" without carefully analyzing Nigerian realities. Opponents of a devaluation say that it is only appropriate for export-oriented economies, whereas Nigeria exports a very narrow range of goods, principally petroleum products, whose prices are fixed by membership in international cartels. Moreover, it is feared that a devaluation would cause a sudden surge in inflation that could threaten the government's stability.

Proponents of devaluation argue that Nigeria must diversify its exports away from oil, and devaluation would make foreign suppliers of both foods and industrial goods less competitive, thus giving an incentive to local producers. A World Bank official said that production of the country's only significant cash crop, cocoa, is rapidly declining, "partly because international prices, set in dollars, become ridiculously low when converted into overpriced naira."

A banker suggested that "the most 'honest' market is the black market, where goods are traded freely and find their real value." On Nigeria's black market, the naira trades at less than a quarter of its official rate of \$1.21 to the naira. "The whole aim of devaluation and trade liberalization is to put the black market out of business by

allowing unrestricted commerce," the banker said.

A prominent American businessman said: "The only convincing argument against the IMF loan and devaluation is that self-confidence in economic management is lacking and the government fears taking on any more lending because they are

ment's moves to restructure the economy, pointing out that many of the measures it has taken are along the lines of what was proposed by the IMF. Recently, attention has been drawn to the fact that the naira has been allowed to slide downward in relation to the U.S.

Another move bound to please the fund's economists has been the restructuring of the import tariff code, which one diplomat qualified as "IMF-inspired."

In lieu of an agreement with the fund, which would provide the economy with sorely needed finances, the most important reform

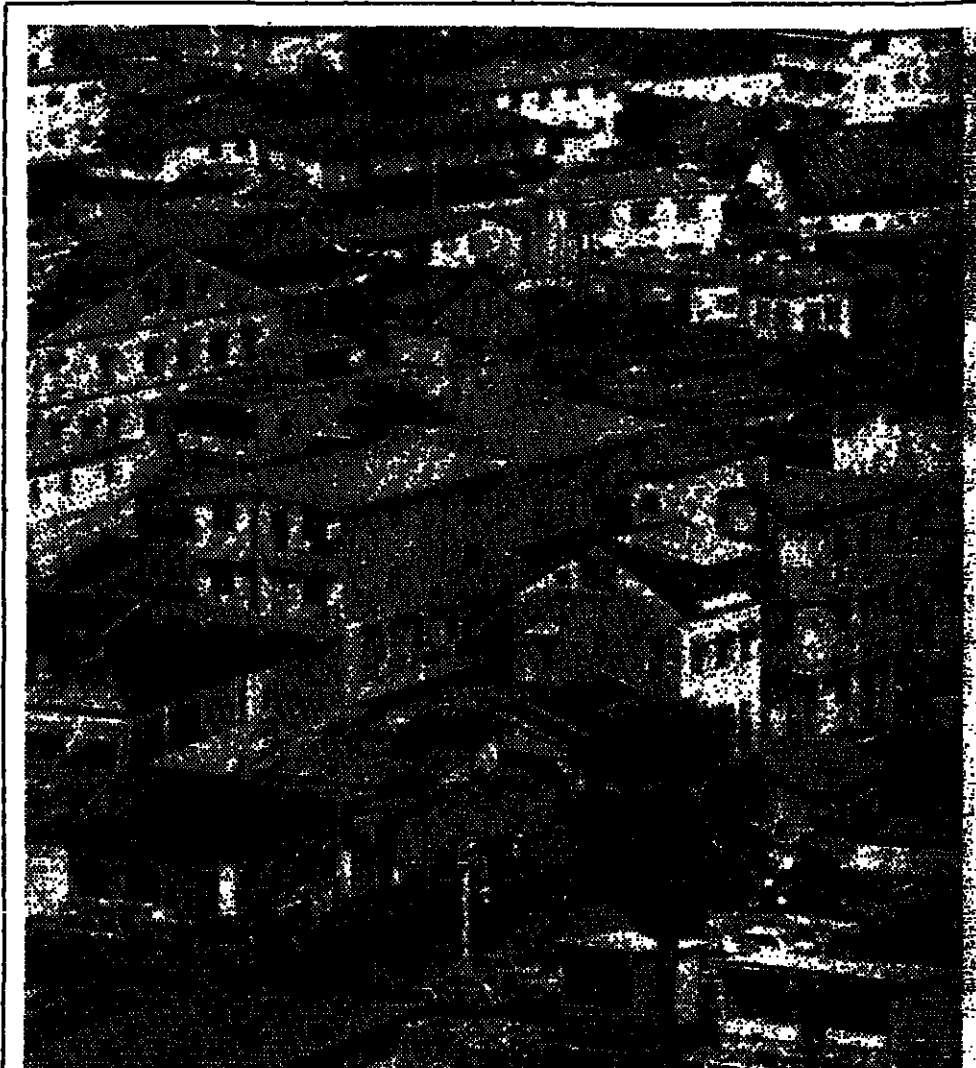
**The military has made a sticking point of the devaluation issue. As a Lagos banker put it, 'A high exchange rate has become a matter of national pride here.'**

not sure that it could be used effectively." He added that "the same national pride that will not allow the Nigerians to devalue gives one confidence that, one way or another, Nigeria will pay its debts."

Observers in Lagos have noted with interest the Buhari government's moves to restructure the economy, pointing out that many of the measures it has taken are along the lines of what was proposed by the IMF. Recently, attention has been drawn to the fact that the naira has been allowed to slide downward in relation to the U.S.

Since last May, the naira has fallen from \$1.3376 to \$1.2046. Some bankers speculate that this gradual devaluation is being allowed in view of "meeting the IMF halfway" on the issue.

likely to be enacted by the Supreme Military Council will be permission to allow companies to maintain foreign-currency accounts in Nigerian banks. This measure would permit companies to use foreign exchange earned from domestic production without having to seek central bank approval.



A rooftop view of the capital, Lagos.



Major General Mohammed Buhari, head of state.



Major General Tunde Idiagbon, chief of staff of the military's supreme headquarters.

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# NNPC

## The Pillar of the Nigerian Economy

كلنا من النصف



A SPECIAL REPORT ON NIGERIA



Nigerians fishing in marshland.

## Foreign Policy Raises Economic Shield

(Continued From Page 7)

Nigerians feel uncomfortable with what is seen as an excessively paternalistic attitude in French policies in Africa, although it is far that economically the francophone states have benefited from the French call their "African family," and their common heritage makes them an effective, if at times troublesome, pressure bloc. Mr. Gambiari likes to describe Nigeria's current foreign-policy approach as a series of concentric circles with Nigeria's security, territorial integrity and political independence at the center.

ECOWAS would come next, on wider African issues such as colonialism, with the outer circle being Nigeria's relations with organizations, institutions, and countries beyond Africa's shores. It is not a rigid model, but there is no doubt that the military regime keeping to the promise, made only days after seizing power, to take Africa the centerpiece of Nigeria's foreign policy.

This, together with the promise of an activist foreign policy, harked back to the heady days of former president General Murtala Mohammed, who, in the few months had in power before his assassination, transformed Nigerian diplomacy. He made it clear that his was a country that would not be shed around and that deserved to insist on being heard.

But the days of nationalizing oil and petroleum, paying the way to a Rhodesian — the pre-independence name for Zimbabwe — element, ushering in Angolan independence and shaming the United States came, it is felt here, to an

ignominious end with the second republic of Shehu Shagari when, in Mr. Gambiari's words, Nigeria became a "diplomatic parasite."

Mr. Gambiari, a former director of Nigeria's Institute for International Affairs, has set out to change that image and to show that Nigeria can and must play a more active role, especially within the Organization of African Unity.

Nigeria takes much of the credit for salvaging that ailing body, whose future, until last year's summit in Addis Ababa, was in doubt. On the eve of the summit, Mr. Gambiari issued a statement recognizing the Polisario Front and calling on other states to follow suit, not necessarily in approval of Polisario policies, but because it was absurd to let one issue endanger the existence of the OAU.

In public, and behind the scenes, Nigeria argued again and again that the massive practical problems facing the continent should be tackled first and that rhetoric and politically contentious and divisive issues should be put to one side. Nigeria also used the clout that comes from being one of the few member states that pays its dues, which are much higher than most.

For the Nigerian delegation, led by head of state Major General Mohammed Buhari, and Mr. Gambiari, the summit was a clear success. It was businesslike, frank and to the point, and although Morocco and Zaïre withdrew in protest over the Polisario's admission, the organization survived.

Nigeria also has been taking an increasingly tough line on the problems of southern Africa and has called repeatedly for an intensification of the political and material

support for the armed liberation movements in the region. In his most recent speech on foreign affairs, General Buhari described South Africa as the "greatest threat to Nigeria's national interests" and criticized what he called the encouragement of South Africa's intransigence by a possibly well-intentioned but misguided policy of constructive engagement being pursued in Washington.

The United States also has been criticized for complicating the Namibian issue — independence for South-West Africa — by regarding it as part of the East-West conflict. This, to Mr. Gambiari, is simply a complete red herring.

He also is alarmed at what he sees as South Africa's attempts to break out of international isolation and achieve some degree of respectability. The visit by Prime Minister Pieter W. Botha to Western Europe and, in particular, his visit to London, was strongly criticized. What made this worse, in Nigerian eyes, was the fact that shortly before Mr. Botha's London visit, the British foreign secretary, Sir Geoffrey Howe, had canceled a visit to Lagos. This was offensive because it is many years since a high-ranking British minister has visited Nigeria — in stark contrast to the frequent visits to francophone Africa by senior French figures.

The tangled love-hate relationship between Nigeria and Britain flared up last year following the kidnapping attempt in Britain of Umaru Dikko, minister of transport in the Shagari government. Britain has not yet made a decision on Nigerian requests for the extradition of Mr. Dikko, who has been

charged with corruption. There was as much hurt as outrage that Britain could show so little understanding of the Nigerian position.

High commissioners were withdrawn from London and Lagos but both sides were anxious that things not be taken too far. There is still a bitterness, however, that Britain continues to harbor Nigeria's most wanted man and the issue could erupt once more when Nigeria's application for extradition and Mr. Dikko's appeal for political asylum are heard.

Britain's relations with Nigeria are complicated further by the fact that both countries produce almost the same quality of crude oil although both pursue different pricing policies. And the Nigerians feel that Britain has been less than understanding over the rescheduling negotiations at the Club of Paris, with Britain among those pushing hard for Nigeria to accept International Monetary Fund conditions that seem increasingly inappropriate to the Nigerian case. It is felt that Britain and the West in general does not want to see Nigeria turning up its nose at the IMF lest this set a precedent, as it no doubt would.

It is 25 years since Nigeria gained its independence from Britain, and the silver jubilee celebrations later this year should be quite spectacular. But the Nigerians are increasingly realizing that political independence can be feeble without economic independence as well. That is why Nigeria stresses self-sufficiency not only within Nigeria but also within Africa. Many years of Western aid, investment and advice have failed to radically transform Africa.

## U.S.-Nigerian Relations in a Holding Pattern

(Continued From Page 7)

Abia as one of the two main suppliers of crude oil to the United States.

But that position was eroded by the increasing U.S. shift to imports from neighboring Mexico, by reduced demand resulting from the worldwide recession and by the fact that has enabled American refiners to fill their needs with readily available heavy oil, which is cheaper than Nigeria's high-grade crude. With little expectation of a near-term return to the days of fat oil margins, Nigeria has neither the nor the resources to play the role of a regional power.

As a result, its ties with the United States have taken on an essentially parochial character.

When diplomats from both countries tick off the noneconomic issues that currently figure in the relationship, they come down to such a matter as the plight of the more than 20,000 Nigerian students in the United States who are having trouble getting the money to continue their studies because of their government's crackdown on currency exports.

Washington is also concerned by the case of an American woman who is facing trial in Nigeria on

charges of illegal petroleum transactions.

On a broader scale, Nigeria has joined with the rest of black Africa in criticizing President Ronald Reagan's "constructive engagement" policy toward the white-minority government in South Africa.

But it has not become a major issue of contention.

Similarly, U.S. officials privately regard Nigeria's return to military rule as a setback to the process of African political democratization. But they have been careful not to press the military to step aside or to

pursue allegations of human-rights violations, on the grounds that it would only have counterproductive effects.

"I still wouldn't count Nigeria out," said one U.S. official, echoing the hope that the country eventually will extricate itself from its financial straits, find a basis for political stability and begin to live up to its potential as a regional force.

In the meantime, however, the relationship between the two countries reflects the restrictions and diminished expectations that stem from Nigeria's continuing struggle to get its house in order.

## A Journalistic Tradition Uneasy Under Restraint

(Continued From Page 7)

Evoked a lively debate. Information Minister Samson Omorhough argued that the law was not meant to muzzle the press but rather to stimulate higher standards of reporting. Journalists asked who would protect the public from government abuse and speak in the interests of the common man. Moreover, they said, the news media should be encouraged to increase its investigative reporting in order to help the military rid government of corruption.

Although there have been no further trials of journalists, a new caution has entered the profession. The independent dailies publish far fewer investigative reports and many of the once outspoken newspapers now content themselves with printing official communiqués verbatim and giving straight news reports on the daily activities of government officials.

Criticism of government policies continues, but it has been muted and many writers are turning their attention to safer topics like international affairs. Finally, there is far less mention of corruption in high places, although the public feels that a great deal of it still is going on.

The situation led one journalist recently to conclude that although the Nigerian press may be a giant in Africa, it casts a far smaller shadow today than it did a few years ago.



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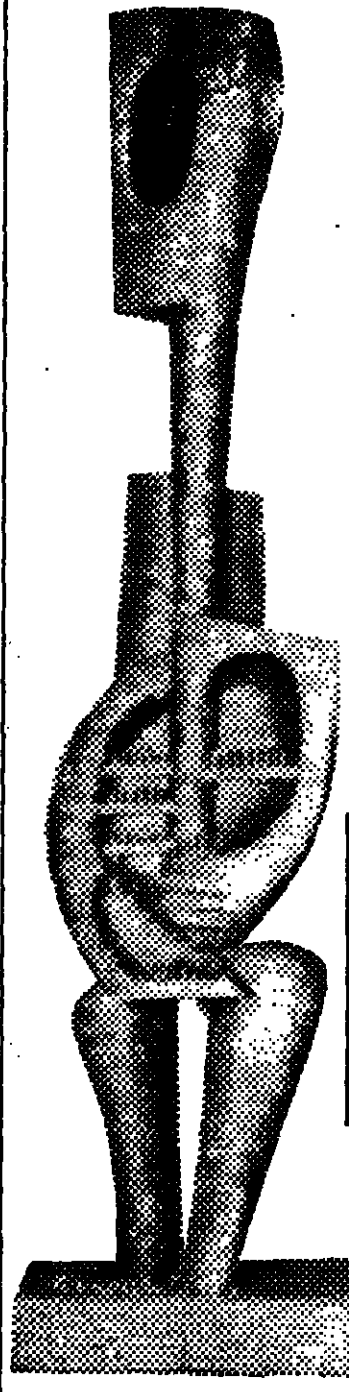
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Capital	75,000	70,000	Investments	68,366	83,399
Reserves	109,600	92,818	Loans & Advances	1,560,833	1,568,835
Deposits etc.	3,114,546	2,939,911	Contra Accounts	740,411	749,960
Contra Accounts	740,411	749,960			
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## A SPECIAL REPORT ON NIGERIA

# Gas Project Appears Deflated Despite Huge Proven Reserves

LAGOS — Gas, long Nigeria's great export hope, will not come to the market in time to rescue the country from its current slump.

The country's proposed liquefied natural gas (LNG) plant at Bonny is unlikely to be completed before the mid-1990s, industry executives say, and even then, there is considerable doubt whether the project will go ahead.

"There's a huge amount of skepticism about it," a senior European gas consultant said of the project.

A plan to use more gas at home also has stalled. Saipem SpA, the Italian state-owned energy engineering company, and Mannesman AG of West Germany are to build a \$1-billion gas-gathering system and pipeline between Escravos and Ighin, near Lagos, where the gas would feed into a new power plant. But work cannot resume until the government approves a new financing proposal from Italy. Tam David-West, Nigeria's oil minister, said that approval should be forthcoming and the project could be completed as early as next year, one year behind schedule.

Some of Nigeria's gas is to be used in the country's new petrochemical plants, although parts of that project also are likely to be postponed as the government reviews its spending priorities.

Despite the delays and outsiders' doubts, the Nigerian government is determined to find ways to use gas and reduce its overwhelming reliance on exports of crude oil. Petroleum Information International estimates Nigeria's proven reserves at 45.7 trillion cubic feet (about 1.29 trillion cubic meters). That is the

energy equivalent of about 8 billion barrels of oil and compares with the country's oil reserves of about 16 billion barrels.

A determined search for gas, moreover, probably would uncover far larger reserves, experts say.

At present, oil companies operating in Nigeria are flaring off gas produced as a byproduct of oil at a rate of well over 1 billion cubic feet a day. In January, new penalties were introduced in an attempt to discourage this waste.

Most industry executives here see Europe as the more likely market for Nigeria. Even so, cautions Tom Cox, managing director of the British energy consulting firm of Gaffney, Cline & Associates, "the European market for LNG really does not look too healthy until at least the late 1990s."

In his budget speech in January, Major General Mohammed Buhari, the head of state, reaffirmed that the government is "fully committed" to building the LNG plant.

**Despite the delays and outsiders' doubts, the government is determined to find ways to use gas and reduce its overwhelming reliance on exports of crude oil.**

But oil executives say the penalties have made little difference. The cost of reinjecting gas into the ground for later use is so high in most cases that the government has had to grant exemptions to the rules to keep the oil flowing.

The trouble with Nigeria's huge gas reserves is that they are far from the major markets. Demand at home is small, given Nigeria's scant industrial base and tropical climate. Subsidies on fuel oil, moreover, make it artificially cheap, undercutting demand for gas.

In the West European market, the established suppliers are the Soviet Union, Norway, the Netherlands and Algeria. Canada and Mexico are well placed to sell to the United States.

He did not say when, however.

Mr. David-West said in an interview that three committees were to work on plans for the project this year: one comprising government ministers, one made up of experts from Nigerian National Petroleum Corp. and the third including NNPC officials and representatives of oil companies that might want to invest in the project.

Just days before the military coup in December 1983, the civilian government signed a letter of intent for the local affiliate of the Royal Dutch/Shell Group to manage the project. The letter remains in effect, and Shell has set up a team to work out plans. But there has been little or no liaison between

Shell and NNPC officials working on the project.

Shell and the government still need to reach a formal agreement on the project and sign up any other interested partners. Both Elf Aquitaine of France and Italy's Agip SpA say they would consider investing if the project looks attractive. The other foreign oil companies operating here are standing back.

After reaching a formal agreement, the partners would have to line up financing for the project, whose cost has been roughly estimated at \$7 billion. If Nigeria does

not come to terms with the International Monetary Fund, many banks might shy away from participating in a major loan for the project.

The partners also would have to find customers willing to commit themselves to buying the LNG over a long period, perhaps 20 years. Such commitments are difficult to obtain in a glutted market, as Norway found when it failed to clinch a \$30-billion long-term gas sale to Britain in February. Nigeria faces the added disadvantage of worries about its political stability.

After receiving financing and

sales commitments, the partners would need six to eight years to build the plant, industry experts say.

Mr. David-West still holds out hope that the plant could be producing in the early 1990s. Others, with an eye on the glutted market, say the mid-1990s or beyond.

The LNG project already has a long history of delays and false starts. In the mid-1970s, British Petroleum Co. and Shell formed a company called Bonny LNG to develop the project. That company, in 1980, signed a letter of intent to sell LNG to a group of European utili-

ties under a 20-year contract. But the government hesitated, the proposed sale fell through and Bonny LNG eventually slid into oblivion.

Since then, LNG and other gas prices have declined considerably. For instance, the price Belgium pays for Algerian LNG has fallen 23 percent over the past four years to \$3.70 per million British thermal units on a free-on-board basis, according to estimates by Gotaas-Larsen Shipping Corp.

Some European gas experts now doubt that the Nigerian project would be profitable at a price low enough to lure customers. "They

may be too late," said a leading consultant, who declined to be identified.

James Ball, editor of International Gas Report, said Nigeria would not be able to undercut Algeria and other established suppliers on price. But he argued that some European countries, notably West Germany, France and Belgium, might choose Nigerian LNG anyway to diversify their sources of supply, especially because Shell's presence gives the project an air of reliability.

— BOB HAGER



Flaring of natural gas in a Nigerian field.

## Heavy Investment Needed for Oil-Field Development to Avoid Production Decline

(Continued From Page 7)

reduce prices again whenever necessary. The price increases, which came into effect Feb. 1, would produce more than \$200 million a year in additional revenue if Nigeria manages to continue exporting about 1.2 million barrels a day. The country's benchmark crude, Bonny light, was raised 65 cents to \$28.65 a barrel. That is equal to the official price of Britain's most important crude, Brent, which competes directly with Nigerian oil in the international market.

The new price brings Nigeria back into line with the price structure of the Organization of Petroleum Exporting Countries. But Ni-

geria is more candid than most other OPEC members in acknowledging that its devotion to the group's rules stops where vital national interests begin. Those interests center on the need to compete with Britain, Norway and other producers outside of OPEC.

In early 1983 and again last October, Nigeria reacted to price cuts by Britain and Norway by imposing even deeper reductions of its own, without waiting for OPEC's approval.

"I have my two legs in OPEC and my two eyes on the North Sea," Mr. David-West said. Should Britain reduce its prices again, he said, "we are prepared to match

them cent for cent — and maybe even more."

Nigeria has chosen to undercut Britain and Norway in the past partly to jolt them into recognizing what it considers the dangers of a price war, oil executives here suggest.

Aside from warning other suppliers, Nigeria is trying to provide incentives to its own customers.

With the new prices, NNPC introduced a special discount for buyers willing to accept at least 20,000 barrels a day of a set package of crudes. The idea is to persuade companies to buy more light crudes. Such crudes in recent years have proved hard to sell, largely

because new techniques allow oil refiners to make better use of the cheaper heavy crudes.

Oil companies here are still assessing the package offer, but some say it appears to make Nigerian oil slightly more attractive. One oil executive estimated the savings for those that accept the package at 13 cents a barrel. Another put the savings at less than 10 cents and added, "It doesn't look to me as if there's enough in it to make it exciting."

Over the past two years, Nigeria also has reached agreements with most of the foreign oil companies, providing a way for them to increase their liftings when NNPC

does not want to take its share of production. On the additional liftings, the foreign partners are allowed to make a profit of \$2 a barrel.

Some executives label this a disguised discount, but NNPC disputes that interpretation.

Nigeria also is trying to press ahead with plans to increase its refining capacity. Late last year, it awarded contracts to Japan Gasoline Corp., Marubeni and Spie-Batignolles to build a refinery at Alesa-Elene, near Port Harcourt. But Nigeria has not yet lined up export credits to finance the project, and that could prove difficult

as long as the country resists an economic agreement with the International Monetary Fund.

The new refinery is expected to cost about \$470 million and have a capacity of 150,000 barrels a day. The country's three existing refineries have a combined capacity of 260,000 barrels. Nigerian officials say the new refinery will save the country money by reducing its dependence on imported oil products.

A vigorous crackdown on smuggling, with the threat of death penalties, already is producing savings for the country. Two years ago, the smuggling of oil products was costing the government at least \$1 million a day, Mr. David-West estimated.

A decision to postpone the petrochemical project would affect its second phase, whose cost is expected to be well over \$1 billion. This phase had been due for completion by 1990.

Odoloyi Lolomari, general manager of the petrochemicals division at NNPC, said he would put a priority on rapid development of the polyethylene, polypropylene and polyvinyl chloride units. The second phase also is to include ethylene oxide, ethylene glycol, plasticizer and chlorine-caustic units.

Construction of the first phase of the project is 60-percent complete and production should begin next year, Mr. Lolomari said. The first phase involves plants near Warri in the north. It embraces polypyrrole, used for making plastic and other synthetic materials; carbon black, used in tire manufacturing, and linear alkyl-benzene, which goes into detergents.

Unlike Saudi Arabia, which is further along in developing a petrochemical industry, Nigeria is aiming almost entirely at serving the home market and thus reducing imports.

— BOB HAGER



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## Minister Mixes Oil Business And Wit

LAGOS — When Tam David-West was named Nigeria's oil minister early last year, many oilmen wondered about his qualifications. By training, Mr. David-West was a virologist and professor who had served as education commissioner of Nigeria's Rivers State. By inclination, he was an outspoken critic of the deposed civilian government. As for oil, however, he lacked experience.

A year later, oil executives here say that Mr. David-West, who is 49 years old, has mastered at least the road outlines of the business. He also has set a new standard for humor and colorful speech.

At a meeting of the Organization of Petroleum Exporting Countries (OPEC) in December, he told journalists that he thought of OPEC's benchmark price as a "mascot." While it is no longer correspond with market reality, he explained, it still has psychological value and should not be changed lightly.

After all, Mr. David-West said, people do not change their names once a year. "I'm not going to change my name to David-East."

When he explains Nigerian oil policy, the minister often resorts to medical analogies. "Oil is like the heart of the nation," he has said. "It is to pump all the time."

Mr. David-West, who holds a doctorate from Canada's McGill University, also is fond of Biblical references. Confronted with criticism from other OPEC members of Nigeria's maverick policies, he likes to quote the Biblical injunction: Let the one amongst you without a cast be the first stone.

At OPEC meetings, he recently told reporters, "we talk about discipline like a litany."

Discussing British oil policy, he ascribed that country's state-owned oil trading company as "a rankenstein monster that is unmiting time."

Sometimes Mr. David-West's speech gets him into trouble. Last January's meeting of OPEC's market-monitoring committee, he observed that the committee's report sounded remarkably familiar. An aide to Mr. David-West later explained that the minister was trying to underline that the oil world had failed to heed OPEC's warnings time and again. But Mans Said al-Oteiba, oil



Nigerian Oil Minister Tam David-West.

minister of the United Arab Emirates and chairman of the committee, took the remark as an affront to his committee. The UAE minister stalked out of the meeting, accusing Nigeria of "stabbing OPEC in the back." It took a diplomatic intervention by Saudi Arabia's oil minister, Sheikh Ahmed Zaki Yamani, to clear the matter up.

Mr. David-West's manner contrasts sharply with that of his predecessor, Yahaya Dikko, who rarely said a word to the press. One exasperated reporter approached the solemn Mr. Dikko at an OPEC meeting and demanded, "Your Excellency, are you still mute?"

"Yes," Mr. Dikko replied, making one of his few recorded comments.

Like journalists, oil executives in Lagos say they generally get along better with the new minister than they did with Mr. Dikko. "He listens — not always, but at times quite well," a senior foreign executive said.

Mr. David-West also gets credit for hard work. He has been known to be "on seat" — the local phrase meaning at his desk — as early as 7:15 A.M. for meetings with oilmen. "Whatever I'm doing, I like to be intensely involved," Mr. David-West said in an interview.

Some foreign oilmen complain, however, that they cannot get decisions out of the state oil company, Nigerian National Petroleum Corp., when Mr. David-West and Chief Festus Marinho, the corporation's managing director, are away at OPEC meetings.

"NNPC is a ship without a captain" at such times, an American oil executive said. "You really can't get anything done."

In any case, it is clear that the big decisions ultimately are made by Nigeria's military government, headed by Major General Mohammed Buhari, himself a former oil minister.

Much of Mr. David-West's enthusiasm has gone into Nigeria's crackdown on smuggling of oil products, a crusade he described as "my baby." The crackdown must be working, he reasoned, because he receives death threats over the telephone.

Mr. David-West said such threats do not disturb him, but he conceded that he sometimes pines for his test tubes. "I don't think I've said my final goodbye to virology," he said.

— BOB HAGERTY

## Lining Up Nigerians for National Resurrection

LAGOS — Passengers arriving at the Lagos airport would be surprised that a "War Against Indiscipline" is deemed necessary in Nigeria. My recent arrival at the airport was smooth, including baggage and customs clearance and currency controls.

But looking for a taxi, I received a first glimpse of the "indiscipline" that Major General Mohammed Buhari has called "the bane of Nigerian society": a heated discussion among taxi drivers that ended in an exchange of blows. At the hotel, the staff was surprisingly diligent. I was asked to pay a full deposit covering room and board for the length of my stay. I explained that I had come directly from the airport and had not yet had time to change my money at the bank. That was not necessary, I was told, because the hotel requires that foreign currency be exchanged on the spot, "so as to rule out the possibility of illegal transactions."

It appeared that the War Against Indiscipline, or WAI, had been firmly planted in the national spirit. Protesting that the hotel offers a considerably lower exchange rate for the dollar than does the bank, I was allowed to pay a one-day deposit and change the rest of my money at the bank, provided that I could produce a valid currency-exchange stamp on my receipt.

But once in my room, I received a visit from one of the employees I had seen at the reception desk. He said, "If you like, I can help you change your money." I replied that I wanted to avoid trouble for currency violations and, at any rate, could not use my foreign currency without justifying its use on my airport-issued declaration. The employee smiled, saying, "No problem," as he produced the hotel cashier's stamp used to validate foreign exchange transactions. I realized that the WAI had a long way to go.

New phases of the campaign are steadily being introduced by Nigeria's military leadership, which sees the establishment of orderly behavior among Nigerians as indispensable for national resurrection. Initially focusing on basics, such as encouraging people to form lines when waiting, the WAI is becoming more ambitious and is bound to point out some of the major contradictions in the country's economy. In its latest phase, General Buhari has launched an attack on economic saboteurs who are involved primarily in illegal currency dealings.

Nigerian television carries frequent warnings against fraud, foreign-currency trafficking, arson and the dash, or

bribe, a firmly entrenched Nigerian tradition. Although stiff penalties have been imposed for currency violations, the authorities appear to have more than their hands full on this front of the campaign. Recently, the Nigerian singer Fela Ransome Kuti was sentenced to five years' imprisonment for his alleged failure to declare his re-export of £1,600.

The most dramatic measure taken to combat illegal currency traffic was the recall and replacement of all the country's circulating currency, the naira, and the closure of Nigeria's borders, in late April 1984. Lagos residents say that the chief effect of the currency changeover was to inconvenience people and set off a surge in inflation.

Abroad, most holders of naira were, as intended, caught unaware, unable to repatriate their illegally exported currency in time to meet the one-week exchange deadline. Tales of woe were common along the West African coast

through limiting the role of middlemen in the commercial circuit.

Another important element of the campaign is the government's imperative need to increase tax revenues. One way that this has been attempted is by forcing much of the large parallel economy into legitimacy. The first targets of this drive were the ubiquitous "small boys" and women street vendors, who sell all manner of goods, usually available in stores, from improvised stalls in business areas.

Claiming that these vendors do not pay taxes and that they encourage inflation by hoarding goods, the government has razed most of these stalls and chased the boys out in recent weeks, especially in the central Marina area, where the vendors competed for business with large stores nearby.

French residents of Lagos tell the story of "Rose," a Ghanaian vendor whose stall came to be known as Chez Fauchon (after the exclusive Paris store), because it was the only place in town where fine wines, champagne and other luxury items could be found.

Chez Fauchon was razed twice in recent months, but French residents say that Rose can still be found in the Marina area, where she keeps her goods under heavy plastic sheets, exposing them only to regular customers, who communicate her shifting locations by word of mouth.

Long-time residents of Lagos cite cleanliness and courtesy as the two areas where the government campaign has made the greatest progress. One businessman said: "There is no longer a showing match at every public elevator. People line up for entry, and those who would cut in face hostile cries of 'WAI, WAI!'"

A banker said: "One no longer needs to constantly reach into one's pocket to get people to do their jobs. Previously, electrical power could be cut off every three days, so that a power company employee could collect a dash for switching your house back on."

A Nigerian newspaper editor reflected a note of dissent against the indiscipline campaign that is gaining popularity among intellectuals. "This campaign has only dealt with the most superficial of this country's problems, and it is disquieting to see it being pursued as the regime's top priority," he said.

— HOWARD FRENCH

### TRAVELER'S NOTEBOOK

among traders who, surprised by the move, lost small and large fortunes in suddenly worthless naira. Market vendors in Lagos used their hoarded naira to clear the shelves of the city's stores, selling the accumulated merchandise only for the new bank notes and at high prices.

The deeply engrained trading ethos of Nigerian society had proven a sturdy obstacle to the pursuit of the War Against Indiscipline. The arrival of the Supreme Military Council to power in late 1983 was applauded by the bulk of the population, largely because of the national anguish provoked by the high inflation that characterized the final period of President Shagari's civilian government.

Military leadership provided the hope that inflation could once again be managed, and indeed, one of General Buhari's first initiatives as head of state was an attempt to control market prices of essential commodities, particularly rice.

The Supreme Military Council learned its first lesson in the resilience of the Nigerian trader well before the WAI had been announced. In the early weeks of the regime, when the government began to fix retail prices by decree, goods simply vanished from the market. Since then, greater success has been achieved in controlling inflation

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## A SPECIAL REPORT ON NIGERIA.

## Americans Try to Help Nation Get Back to Its Farming Roots

LAGOS—The Anderson brothers of East Bernard, Texas, have what it takes to attempt an agricultural project in Nigeria: patience.

Off and on since 1978, Everett and Jay Anderson, who are among the biggest rice growers in Texas, have been trying to apply their skills to Nigerian soil. For much of that period, Everett Anderson says, "we've just been twiddling our thumbs."

But the Andersons, whose home operations have been squeezed by low prices, are not ready to despair. They see rich potential in Nigeria, where demand is intense and restrictions on imports have forced local prices far above the world average.

To reduce the country's reliance on imports, Nigeria's government is trying to make agriculture attractive again, both for its own peasants and for skilled foreigners like the Andersons. The government is forcing big local companies to invest in farm projects. It also is at-

tracting a few hardy foreign investors, though most are waiting for Nigeria to transform its rhetoric into action.

"People are scared stiff," said a British executive at one of Nigeria's big manufacturing companies. "So often Nigeria has looked good and then things have gone all wrong."

But Nigerians insist that they cannot afford to let their farm economy go on floundering as they did when oil income was surging. "We have all learned a lesson," said E.A.O. Shonekan, chairman and managing director of UAC of Nigeria Ltd., an affiliate of Unilever that is returning to its roots in palm oil and other agricultural projects.

Oil wealth gave Nigeria the luxury of importing huge quantities of rice, wheat and other foods that were not part of the traditional diet, dominated by such starchy staples as yam and cassava.

Cheap imports depressed prices, and many small farmers abandoned cash crops to slide back into

subsistence farming. Millions of farm workers streamed to the cities.

In the 1960s, Nigeria was self-sufficient in food and a major exporter of palm oil, cocoa, peanuts, cotton and rubber. Now the country imports both palm oil and peanuts. Food production has increased too slowly to keep up with population growth. On a per-capita basis, food output has fallen 15 percent since 1969, according to a recent estimate by the U.S. Agriculture Department.

Alarmed by the trend, Nigerian governments in the 1970s mounted such campaigns as Operation Food for the Nation (OFN) and the Green Revolution. The results were abysmal.

"Charges of squandermania have been leveled against both the OFN and the Green Revolution program with some justification," Nigeria's new agriculture minister, Bakari Shaib, said in a speech earlier this year. "That, however, was the oil-boom syndrome common to all government activities."

The current government is still throwing money at agriculture, which accounts for 18 percent of the capital-spending budget for 1985, but it promises to do so more efficiently.

Toward that end, the government is trying to streamline agricultural agencies and state-owned agricultural companies, many of which have suffered staggering losses in recent years. Mr. Shaib said the government would simply close down the National Livestock Production Co., which had total losses of 21.7 million naira (\$26 million at the official exchange rate) between 1979 and 1983.

Seven other state-owned companies are to be sold to private investors. Others remain under review.

The government also is cracking down on corruption. Investigations of the Benin-Owena River Basin Development Authority, for instance, produced "some shocking revelations," Mr. Shaib said, and some top officials have been detained.

In addition, the government is examining the usefulness of marketing boards, which act as middlemen between farmers and the markets. Some food companies want to buy directly from farmers and hope the government will eliminate the boards.

Banks are under orders to increase their lending to agricultural projects, and the government is studying a proposal that all local companies with annual sales of more than 5 million naira be required to invest 10 percent of their sales in agriculture.

To lure private investment into big projects, the government recently set up an Agricultural Investment Bureau.

For now, however, the government's most successful impetus to farming is its import restrictions, which keep prices high. Everett Anderson figures that over the last 10 years Nigerian rice prices have averaged two or three times the prevailing international level. Local corn prices are about five times higher than the cost of imports.

Still, the obstacles are daunting. Businessmen say that they need to go to half a dozen agencies for approvals and that functionaries do not seem aware that the government wants to encourage investment.

Bureaucracy also makes it difficult to import machinery and other vital supplies. Nigeria's poultry industry was devastated last year because farmers could not import enough corn to feed their chickens.

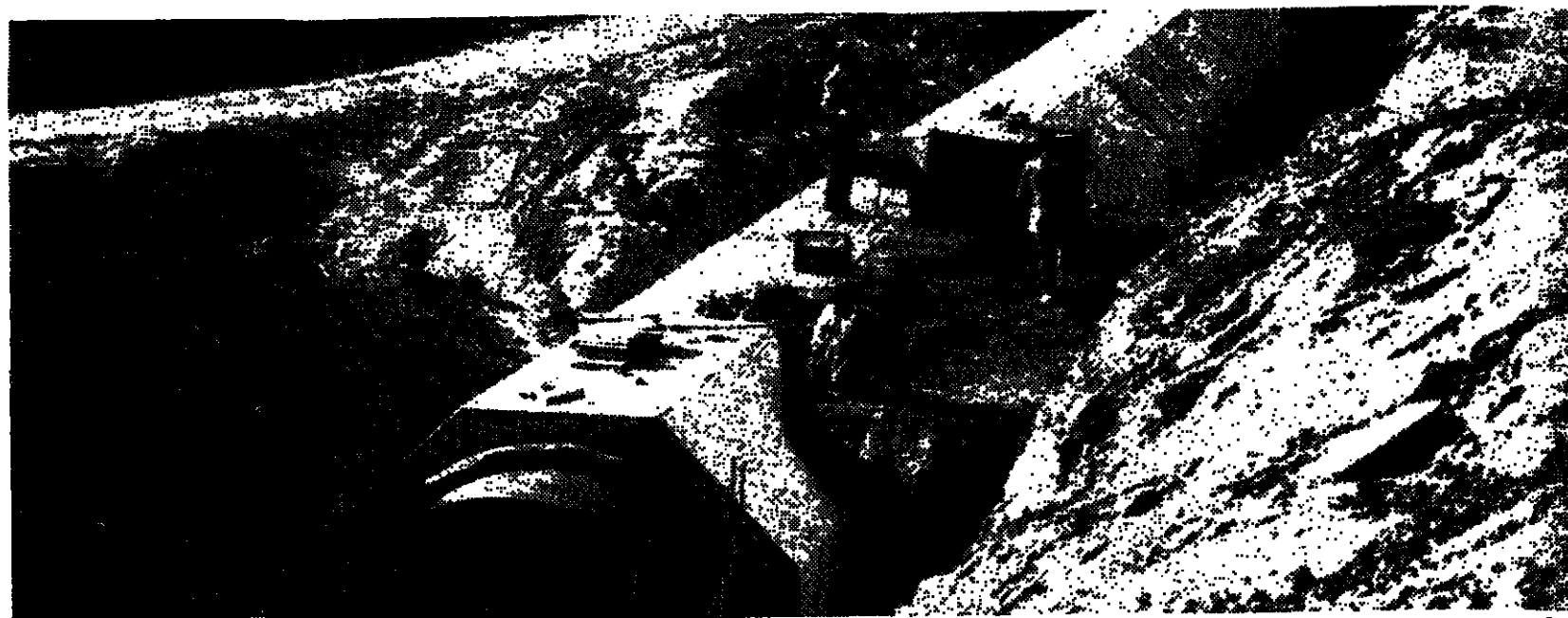
Obtaining clear title to land is notoriously complicated. "Everybody in the village has to okay it," a foreign investor said.

Currency regulations mean that it is often impossible to repatriate profits, and the overvalued naira prices Nigerian crops out of export markets.

Labor is scarce in the fertile north of Nigeria. To keep Nigerians on the farm, the government needs to provide more amenities

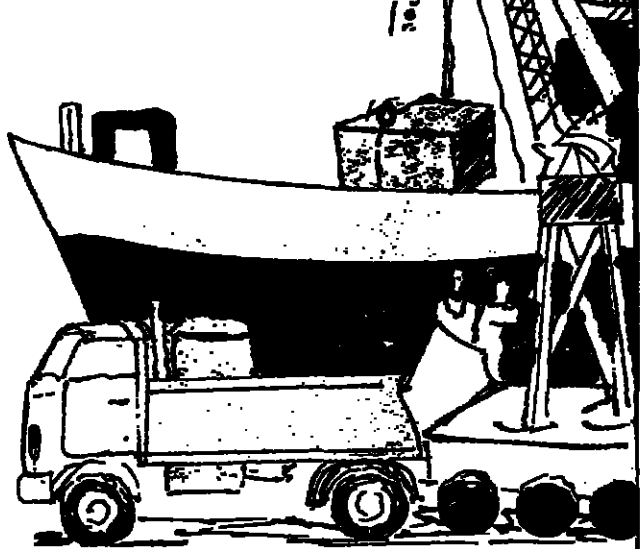


Nigerian farmers and the cassava harvest.



Work under way on the irrigation network of the Bakolori Dam project.

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Branches throughout Nigeria

such as electricity and health care, but funds are short now. Companies that want to start projects often have to build their own roads and provide their own electric generators.

In the face of all these problems, Nigeria can point to a growing list of projects.

Some oil companies, among them the local affiliates of Texaco Inc., Royal/Dutch Shell and Cie. Française des Pétroles, are investing in small agricultural projects, mainly as a public relations exercise. Over the last 10 years, Texaco has sunk about \$5 million into an operation that grows cassava and

then crushes and ferments it into garri, a grainy flour that serves as a staple for the poor. Other oil companies are under pressure to start similar projects.

Assembly and trading companies with a big stake in Nigeria have little choice but to heed the call for agricultural investment.

They rely on import licenses, and the government can withhold these from companies that do not cooperate. Such companies also have local currency that cannot be sent overseas and must be invested somehow.

A.G. Leventis & Co., a widely diversified concern run by a Cypri-

ot family, is growing corn to be used in a planned fructose plant, which would provide sweetener for Leventis soft drinks.

The Anderson brothers have teamed up with Leventis on certain corn and rice projects.

Leventis also is expanding its pig farms and plans to produce citrus fruit and soybeans. Thus, an old-line trading company is turning itself into an integrated operation stretching from the soil to the supermarket shelf.

UAC of Africa, Nigeria's biggest company, is investing in timberland and palm-oil plantations. The company also plans to raise cattle

and pigs, and may go into poultry as well, Mr. Shonekan said.

Another company looking at further farm-related investments is the Geneva-based Vulcan Inlaks Group. The company already grows fruit and vegetables and produces tomato and mango juice.

Nigerian Tobacco Co., a unit of London-based BAT Industries PLC that has grown tobacco in Nigeria since the 1930s, is experimenting with corn and cassava. John Brewis, NTC's managing director, says corn appears to have the best prospects.

Several local brewers are considering the use of locally grown sor-

ghum instead of imported barley, but they worry that the taste will suffer. Experiments in growing barley in Nigeria have not been encouraging.

All concerned, including the agriculture minister, acknowledge that reviving Nigerian farming is a very long-term project.

"If they could get rid of the bureaucratic red tape," said an American banker with long experience here, "it still would take 10 to 20 years to get back to where they were in the mid-1960s." That, he added, would be a signal achievement.

—BOB HAGERTY

## Agriculture, Oil's Poor Cousin, Gets Rehabilitated

LAGOS—Nigeria's external trade situation is critical, and measures to restrain imports and generate new products are essential to recovery.

On the export side, there is oil, more than 90 percent of the country's export revenue. Imports include foodstuffs, consumer goods and a wide range of items needed to fuel the country's relatively large but highly dependent industrial sector.

With a population growing by as much as 3.4 percent a year, a weak oil market and the medium-term prospect of a depletion of commercially exploitable oil reserves, Nigeria's military leadership needs to move quickly.

Most analysts agree that the most important step to be taken is the revitalization of the nation's agricultural sector. Like most of its neighbors, Nigeria once lived by its agriculture. It was the world's largest producer (and exporter) of palm oil and ranked as a major supplier of a number of other commodities, including cocoa, peanuts and rubber.

Agriculture has suffered badly from the country's preoccupation with oil. According to Israt Hussein, the World Bank representa-

tive in Nigeria, "the government used its windfall profits during the oil-boom years on physical infrastructure and industrial projects, particularly in urban areas, driving up wages for workers, while wages in the agricultural sector stagnated. Meanwhile, Nigeria's import bill leaped from between 2 billion and 3 billion naira to more than 20 billion in 1980, creating extraordinary opportunities for traders in a society already given to commerce." (In 1980, 2 billion naira was officially worth \$3.5 billion.)

The net result of these factors was to draw both young and educated Nigerians away from agriculture and into industry and commerce.

So long as the market for oil remained firm, the effects of Nigeria's agricultural decline were not painful. However, the lack of investment in the sector came to be sorely felt once the bottom fell out of the oil market. Nigeria entered the 1980s importing nearly \$100 million of wheat every year, with similar amounts spent on rice. New food habits nurtured by the prosperous years proved hard to break, and successive governments have realized that any disruption in the availability of bread and rice might threaten stability.

With a debt-service ratio estimated at 44 percent in 1984, the Buhari government is moving to restructure the country's economy by severely limiting imports and relaunching agriculture. Observers agree that modest signs of the rehabilitation of agriculture are already becoming apparent and this trend is likely to continue under the combined effects of urban unemployment, which is forcing more and more people back to the land, and both public and private investment in agriculture and rural development.

"Nigeria's imports have already shrunk to one-quarter of their levels of two years ago following an identical trend in export revenues," a diplomat said. Foreign-exchange earnings have fallen from approximately \$27 billion at the start of the decade to a projected \$9 billion to \$10 billion in 1985, and import licenses have been reduced to about a quarter of their level before the oil crisis.

"It finally appears that a Nigerian government has realized that rehabilitation of agriculture is essential to the rehabilitation of the economy," a Lagos banker said. The government's determination can be seen in a number of recent

decisions, such as obliging banks to allocate between 6 and 10 percent of their loans to the agricultural sector, allowing up to 80-percent foreign equity in agro-industrial ventures (foreign equity is limited to 40 percent in most sectors) and a reduction of foreign-exchange allocations for imported foods.

Diplomats say that with a greatly reduced financial base, the federal government is "spending as much, in constant naira, in the 1985 budget on agriculture and rural development as it did at the height of the oil boom."

One expert said that "although the per-capita decline in agricultural production has been halted, self-sufficiency cannot be reached as long as the artificially strong naira acts as a disincentive to Nigerian farmers to produce."

Nigerian industry boasts no significant exports. On the contrary, the country's industrial sector is slated to be the largest recipient of the 3.15 billion naira that the government has allotted for imports, taking 58 percent of this outlay. Critics of Nigerian industrial policy, as it has evolved under successive governments, point to the preponderance of industries that are highly reliant on foreign-sourced

raw materials. Industry is estimated to be operating at only 30 percent of capacity.

Bankers in Lagos say that "companies that approach 30 percent capacity production have only been able to do so by running down inventory." It is widely feared that with the tight squeeze on foreign-currency allotments, many industries will be forced to close, increasing the ranks of the unemployed by the thousands.

Bankers and industrialists say that an International Monetary Fund loan would bring with it the liberalization of trade, allowing the market to determine who imports what, thus eliminating the corruption and inefficiency associated with the practice of import licensing. It is argued that under these conditions, only the companies that are net earners of foreign exchange would be able to compete effectively for access to available resources.

One industrialist complained that although the government's tough restrictions on access to foreign exchange "is weeding out a lot of unproductive industries, it is threatening the minority of truly viable companies as well."

—HOWARD FRENCH



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## Hotter Competition Challenges Traditional Banking Markets

By Patrick Smith

LONDON — After a decade of booming balance sheets, Africa's fastest-growing banking sector is in the throes of a major shake-up.

Increased competition is challenging the traditional market shares of the bigger banks while government demands for more financial discipline mean tighter controls on credit and money supply. All this is set against a further 30-percent drop in imports this year, which will cut deeper into the banks' lucrative earnings from trade finance.

Nigeria's banks have fared much better than the rest of the economy during the current recession, and as the chief executive of Nigeria's biggest commercial bank — Union Bank — Paul Ogunwala pointed out, "the return on capital in Nigerian banks is still much higher than in Europe or the U.S.A." Mr. Ogunwala was speaking after the publication of Union Bank's latest annual report, which showed a decline in the bank's profits from 64.9 million naira (\$78.3 million) to 61.2 million naira.

Banks should be prepared to see a drop of around 15 percent in their profits this year, Mr. Ogunwala said, but he is confident that when Nigerian banks come out of the recession they will be giving their customers better service and playing a more effective role in the national economy.

Internationally Nigeria's banking sector still looks healthy — its big three commercial banks are moving up the roster of the world's biggest 500 banks as drawn up by The Banker journal. And international banks still are seeking partnerships with local banking interests in Nigeria. America's Citicorp banking group re-established itself in Nigeria last year, having left the country when the government introduced indigenization laws in the 1970s.

With an aggressive marketing policy and the introduction of new banking technology, financial circles in Lagos believe Citicorp's Nigerian associate bank will start taking customers away from the four or five biggest commercial banks. But there are plenty of opportunities or expansion, since Nigeria is underbanked with about one bank branch for every 100,000 Nigerians.

But under present conditions of recession the emphasis will be on improving customer services both for Nigeria's 26 commercial banks and its 11 merchant banks.

For the commercial banks this will mean the increasing computerization of operations and the setting up of an improved branch-to-branch communications network as well as building new branches in the more remote areas of the country. Merchant banks will have to concentrate on improving their range of corporate financial services like equity issues, investment advice, company flotation, stock market quotation, credit facilities and loan syndication.

Both merchant and commercial banks have been hit by successive years of import cuts and the corresponding loss of their trade finance business, although the merchant banks are confident of increasing their share of the foreign-trade business.

Under the new system of foreign-exchange allocations from the Central Bank of Nigeria, the banks compete with each other for the limited amount of foreign exchange — about \$4 billion — available for imports this year.

Banks will be dependent on how many letters of credit they can get confirmed from their foreign correspondents, and in this area the merchant banks claim greater efficiency over the larger and sometimes unwieldy commercial banks. But as access to short-term credit remains tight for importers in Nigeria, some banks are looking at a possible increase in countertrade business.

Nigeria recently concluded a \$1-billion countertrade deal swapping crude oil for raw materials and manufactured goods from Brazil. There is talk of further private-sector countertrade deals, and some bankers see such deals as an effective way to increase imported supplies without disrupting the government's tight foreign-exchange budgeting.

In the financial counterpart to its much publicized war against indiscipline, the government has adopted much more rigorous standards of public accounting. State government and government-owned corporations have been directed to balance their budgets, while the public-sector borrowing requirement has been cut dramatically and Nigeria's banks have been issued with tough new directives on the growth of private-sector credit. The government-controlled central bank is monitoring the private-sector banking activities much more closely.

The central bank's watchdog role consists of issuing policy guidelines to the banking sector in line with the government's broad economic

strategy. The guidelines require banks to lend more to the productive sectors of the economy, like manufacturing and agriculture, based on local resources and to lend less to the trading sector.

All commercial banks are required to site a certain number of the new branches in rural areas of the country, although this plan has met with some resistance as clearly the banks' most profitable branches are in the urban areas.

Just as government wants to play a bigger role in the country's banking operations, Nigeria's banks apparently want to play a bigger role in the running of the economy. Typical of this are the views of Umaru Mutallab, chief executive of the United Bank for Africa, one of the country's top three banks.

"Imaginative ways must be found for greatly increasing the cooperation and collaboration between Nigeria's public and private sectors in every stage of external external financing, the choice of and the negotiations for sources of external finance, project management and overall external finance management," he said.

Mr. Mutallab echoes the views of many senior bankers in the country who argue that the government should make more use of financial expertise from Nigeria's indigenous private sector in preference to relying so heavily on advice from foreign financial interests.

Nigeria's bankers want to be brought further into the ongoing negotiations over the rescheduling



A merchant banker at work in Lagos.

of the short-term trade arrears, and speakers at a recent conference on economic policy at Ibadan University said that Nigerian bankers should join their government's team in negotiations with the International Monetary Fund. So far, the private-sector bankers have provided government with financial information rather than play an active advisory role.

While the banks are sponsoring several new public-relations campaigns and want to take a higher profile in the society, the government seems likely to support this development, according to one senior Lagos banker. "Traditionally, military governments in Nigeria

## The Coming Debt-Service Crisis

By Richard Synge

LAGOS — Nigeria is entering the 1985-1987 period of high debt-service obligations with little hope of substantial foreign exchange earnings from oil to enable it to withstand the shock. If oil earnings do not increase significantly, it is possible that the debt-service ratio will rise above the 50-percent mark, causing further problems in the day-to-day running of the economy.

In his December budget statement, the head of state, Major General Mohammed Buhari, showed the military government's intention to service Nigeria's external debt commitments in 1985 when he put the cost of debt servicing for the year at 3.5 billion naira (\$4.35 billion). This is around 44 percent of Nigeria's projected foreign exchange earnings, a sharp rise in the debt-service ratio from 24 percent in 1984 and 17.5 percent in 1983.

Bankers assume that in the absence of an International Monetary Fund loan and stabilization program, Nigeria will attempt to put a ceiling on its debt servicing by delaying its verification of claims for short-term debt, the one area of its commitments that the government can tailor according to the availability of funds.

Nigeria's debts fall into two categories: the short-term and the medium- to long-term. In the latter, Nigeria has not drawn on all the loan commitments that have been made and the level of debt is thought to be little more than \$10 billion, which is not unduly high. In the short-term category, claims have been made by international exporters in excess of \$8 billion. If this is verified, Nigeria is committed to amortizing it from the third quarter of next year, the point at which the "bunching" of the country's debt-service commitments will be heaviest.

In public statements, the government has set its face against new borrowing in an effort to show that Nigeria can pay its way in the world. This is where the country's need to buy time to repay its existing debts comes into sharper focus. The country has no alternative but to borrow more, and heavily, if it is to lay the basis of a more balanced economy.

Any substantial foreign borrowing for the kinds of projects that Nigeria is planning, such as a new \$500-million oil refinery, depends heavily on support from Western export credit agencies, which in the past two years have refused cover pending a Nigerian agreement with the IMF. With commercial banks reluctant to confirm letters of credit for Nigeria and with export credit cover limited, there is increasing pressure on Nigeria to consider using direct oil sales to guarantee credit lines.

There is little question that a deal with the IMF would bring substantial relief to Nigeria's external financial position, but the political risks inherent in the IMF's conditions have created what now appears to be an insuperable stumbling block.

**Any substantial foreign borrowing for the kinds of projects that Nigeria is planning, such as a new \$500-million oil refinery, depends heavily on support from Western export credit agencies.**

between the two sides. The military government is determined to display its ability to go it alone with its own austerity program.

The government's internal debts are also high. The government proposes to issue naira promissory notes to be redeemed over a five-year period, but bankers want the government to pay interest on these debts.

The methods of paying internal debts and the short-term trade debts to Nigeria's overseas suppliers are now being thrashed out by Finance Ministry officials. The delays experienced by local contractors and overseas suppliers are frustrating, but without an upsurge in the country's oil earnings, there is unlikely to be any quick relief at hand.

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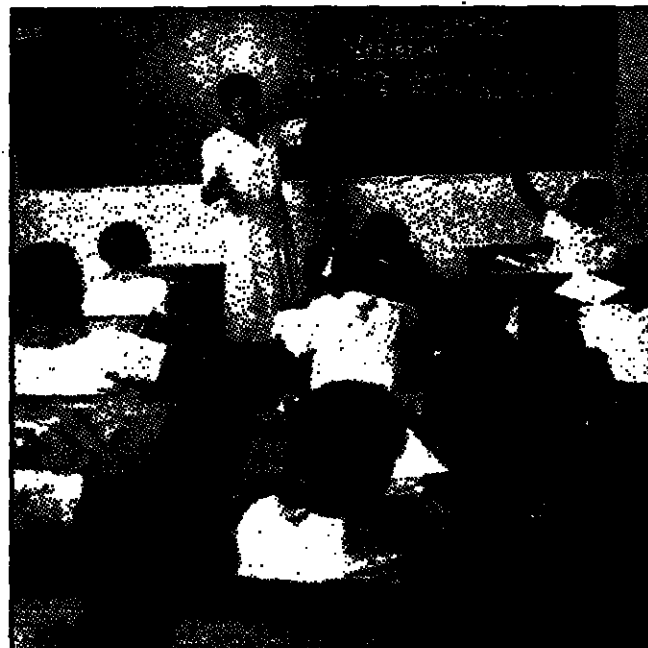
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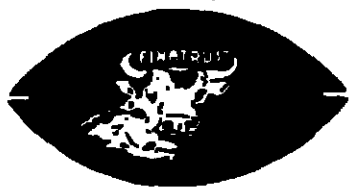


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## A SPECIAL REPORT ON NIGERIA

# Military Leadership Changes the Face of Federalized System

LAGOS — Ever since the end of the Biafran war 15 years ago, political theorists and constitutional lawyers have struggled long and hard to devise a formula for the distribution of power within Nigeria. They sought a system that on the one hand would encompass the demand for national unity but that on the other would accommodate the specific needs of one of the most diverse countries in Africa.

With more than 390 language groups coexisting in Nigeria without spawning a serious separatist movement and with a potentially strong base of oil revenues, Nigerians argue that national unity and economic strength can go hand in hand and they say that they owe it to the continent to try to prove it. Foreigners who were surprised at the speed of reconciliation after the war failed to understand the widespread feeling that Nigeria should never again be brought to the brink of destruction through separatism. The citizens of the biggest country in Africa — with an estimated population of about 100 million — see a continent that is ravaged by secessionist movements and crippled by economic adversity.

The division of Nigeria into regions on the old colonial-style unitary system of government was judged a failure after the civil war, and the first tentative moves toward federalism were made.

First, 12 states were carved out of the old regions, the argument

being that the states should reflect the real diversity of Nigeria's peoples and not just the stereotyped division of the country into north-east, west and south-east. But the 12-state system of federalism was unsatisfactory, so the head of state, Major General Murtala Mohammed, ordered that a further seven states should be drawn up in addition to a neutral territory in the center of the country that would become the site of Abuja, the country's new administrative capital.

The 1979 constitution, which remains in force despite the suspension of clauses relating to the operations of party political government, laid down a categorical division of powers between state and federal government. The state government is responsible for primary education, health services, agricultural extension work and road construction. State governments can sponsor scientific research and undertake economic development programs of any kind except mining.

As the second tier of government, the state governments are responsible for the third tier — hundreds of local government authorities dotted about the country — and any matters concerning traditional rulers.

Except in a state of emergency, the 1979 constitution granted the head of state no formal powers over the state government, but the re-



Nigerians take their cattle to a deep well.

turn of military government has restructured this relationship.

State governments do retain their responsibilities but the military governors in charge of each state are told to regard their job as a military posting — that is a posting that can be reassigned without notice. The ruling body in Nigeria, the 20-member Supreme Military Council, also symbolically directed that the military governors should not refer to themselves as "your excellency." In contrast, it took a prolonged political dispute to impeach a governor of Kaduna state under the civilian rulers, but last year, when the Supreme Military Council found cause to dismiss a governor of Cross River State, notice of his dismissal and the name of his replacement were announced the same day.

At the same time, the council has pushed some more responsibilities onto the state governments. The unwieldy River Basin development authorities previously spanning two or three states have been replaced by statewide agricultural development authorities. And in bitter memory of the financial profligacy of some civilian state governments, the council has directed that all state governments should produce balanced budgets and they have been warned by the finance minister, Onasolapo Soyeye, that the federal government will

not bail them out as it did with its emergency loans last year.

The council has decided not to change the system of revenue allocation established under civilian rule, which gives the federal government 55 percent of all accrued revenues. The state governments get 30 percent, the local governments get 10 percent and the remainder is divided among the middle-belt states of Plateau, the plethra of religious groups coexist without conflict despite conditions of austerity so severe that the military governor had to cut the state government's payroll by almost half.

All states have undergone rigorous economy drives, although some like Kano state, the commercial center of northern Nigeria, and Kaduna state, traditionally the administrative center of northern Nigeria, are better equipped to survive. For example, Oyo state, which had one of the most comprehensive educational programs in the country, has had to make significant cutbacks in public spending in the wake of reduced revenue generation and the national austerity drive.

Political commentators now say that the states have had to adjust to reality, but in the process of doing so they are having to walk an uneasy tightrope between national economic policy implementation and local demands.

The only serious threat to the federal government since the return of the military to power came in March last year when a band of

religious zealots started an uprising under the banner of the outlawed Maitatsine sect in Gongola state in the northeast of the country. The army was called in and several hundred lives were lost. But observers say the movement owes more to economic deprivation than any coherent challenge to federal power.

With the country's policy of religious pluralism, for example, in the middle-belt state of Plateau, the plethra of religious groups coexist without conflict despite conditions of austerity so severe that the military governor had to cut the state government's payroll by almost half.

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Political commentators now say that the states have had to adjust to reality, but in the process of doing so they are having to walk an uneasy tightrope between national economic policy implementation and local demands.

— PATRICK SMITH

## Import Surge Buys Shippers Despite Port Traffic Logjam

LAGOS — Nigeria is experiencing a revival in its import trade after a lean period in 1984, when the flow of goods fell to a trickle.

The upsurge in traffic, particularly at Apapa port in Lagos, has some shipping agencies fearful of a return to the dockside chaos that plagued Nigeria in the 1970s, after the first oil boom.

"There is a serious buildup of pressure on the port facilities," said the managing director of a European shipping line, "and evacuation of goods from the port is very slow." Containers have been most affected.

Among the causes of the Nigerian Ports Authority's organizational problems are the following: the simultaneous arrival of delayed 1984 imports, a million tons of fertilizer for the coming planting season, large amounts of food aid for Chad and Niger, and Nigeria's own food imports. Each category of goods is deemed urgent.

But in spite of the dockside difficulties, the shipping lines serving Nigeria are delighted to see a revival of the trade to Africa's biggest market. Traffic through Nigerian ports in 1984 was little over half that of the peak year of 1980, when goods totaling 20 million tons were handled.

The shakeout in the trade has already caused many smaller ship operators to suspend regular sailings and some are expected to drop out altogether. The biggest casualty in 1984 was Italy's Medefrica line, which collapsed in October after becoming overexposed in the Nigerian market.

Nigeria accounted for up to 80 percent of Medefrica's West African business and the line once operated 50 ships serving the region. But its collapse did little to cheer competitors, who still had to cut services to a minimum.

In addition to the stringent cutback in imports imposed by the military government in 1984, the shipping lines were hurt by the sudden switch in import inspection agencies in the fourth quarter of the year. Nigeria had for years used the services of Switzerland's Société Générale de Surveillance. Its replacement by a range of largely inexperienced inspection agencies around the world caused turmoil for exporters trying to ship goods to Nigeria before the expiry of their import licenses at the end of 1984.

The government, to keep the economy supplied, relented at the end of the year with a two-month extension of the validity of import

licenses and, more recently, gave a second two-month extension to the end of April.

Although the two extensions have given manufacturers and forwarders a much-needed breathing space, shipowners are urging exporters not to become complacent. A spokesman for one line said, "We expect another rush on space in April, similar to our position in February, during which we were inundated and fully booked three of four vessels ahead."

The new inspection agencies have had to learn about Nigerian trade in the midst of one of the busiest periods in recent years. Some exporters in Europe have complained about the efficiency of

aging effects of his "open door" regime on the nation's finances have provoked the current tight controls. Licensing and inspection are now required for nearly every category of goods.

The shipping lines that have withstood the battering of the Nigerian recession best are those that are grouped in the various conference lines, such as the U.K. West Africa Lines and the Continental Europe West Africa Conference. Some independent operators, however, have survived because of the highly specialized services they provide.

Britain's OT Africa Line, a leading operator of roll-on/roll-off services, has recently experimented

The shipping lines that have withstood the battering of the recession best are those that are grouped in the various conference lines, such as the U.K. West Africa Lines and the Continental Europe West Africa Conference. Some independent operators have survived because of specialized services they provide.

the new agencies, although experienced traders have commended them for adapting to Nigerian rules in such a brief period.

In Britain alone, Cotecna International is inspecting more than 100 consignments a day. At the beginning of this month, there were still more than 5,000 consignments awaiting the issue of "clean reports of findings" (covering price, quality and legality) before they could be shipped, leaving many exporters worried that they might miss the end-of-April deadline.

The risk of goods literally "missing the boat" because of the volatility of Nigeria's trading regulations is one that shipping lines now have to take as a matter of course. Each new government measure is intended to simplify and rationalize existing procedures, but exporters, forwarders and shipping lines have, over the years, seen major shifts in policy on import licensing and inspection.

From the increasingly heavy restrictions of the last military government in the 1970s, Nigeria swung to an almost complete lifting of import licensing under the civilian government of former President Shugu, but the dam-

aging effects of his "open door" regime on the nation's finances have provoked the current tight controls. Licensing and inspection are now required for nearly every category of goods.

The shipping lines that have withstood the battering of the Nigerian recession best are those that are grouped in the various conference lines, such as the U.K. West Africa Lines and the Continental Europe West Africa Conference. Some independent operators, however, have survived because of the highly specialized services they provide.

With Nigeria's 1984 orders carried over into this year and some cargoes beginning to arrive on newly issued 1985 licenses, there is now a good chance that a reasonably consistent level of traffic will be sustained this year. The exceptional cargoes of fertilizers, food aid and commercial food supplies have also added to the shipping lines' gains.

While benefiting from the present boom, the shipowners are nevertheless aware that the prospects for Nigerian trade in the next two years remain uncertain.

The staying power of the lines is still being tested to the limit, but Nigeria remains a highly attractive market with high potential.

— RICHARD SYNGE

### CONTRIBUTORS

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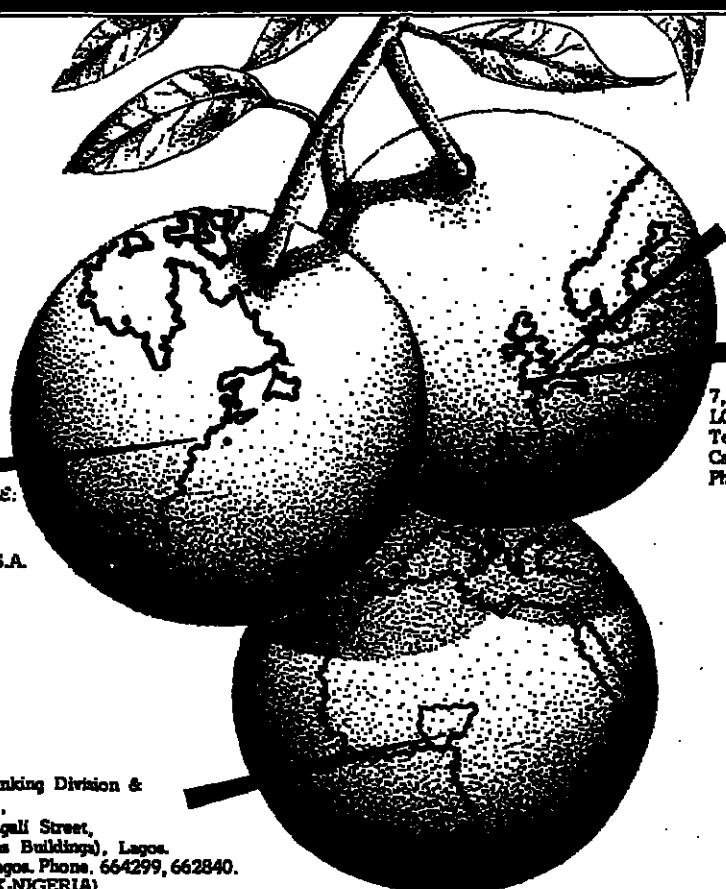
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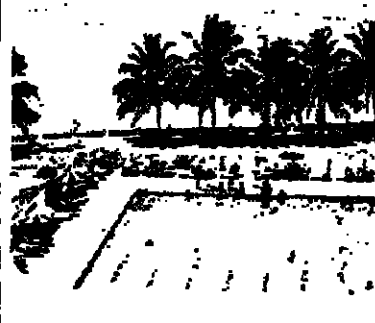
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phonist Joe Far  
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ARTS / LEISURE

# Saxophonist Joe Farrell: Bouncing Back After Nights Under the Bridge

By Michael Zwerin  
International Herald Tribune

PARIS — In the autumn of 1967, Joe Farrell walked up to win Jones in Pookie's Pub in Greenwich Village and said: "I'd like to play in your band." He used to do that sort of thing. He had a lot of nerve.

They formed a trio with Jimmy Urison, who had been John Coltrane's drummer and bassist until Coltrane's death a month earlier. Coltrane was a hard act for an unknown 30-year-old Italian-American to follow. A customer in a Philadelphia club called Farrell a "white devil."

Although over the next 10 years won three Down Beat magazine "10s" — on tenor and soprano saxophones and flute — and was a key player in Chick Corea's high-energy band Return to Forever, nowhere along the line he lost his nerve. He lost everything. In December 1983, he found himself sleeping under a bridge in North Hollywood.

After having studied the clarinet two years, Farrell switched to saxophone at the age of 13 because

"I liked the way it looked." By the 16 he was playing it mostly "to cop the ladies." He listened to Johnny Griffin and Ira Sullivan around his native Chicago, only gradually realizing that he was playing jazz and that it was important to him.

After a year with Maynard Ferguson, he entered "the bleak '60s." It was "one dumb gig after another" — weddings, bar mitzvahs, anniversaries and showers on Long Island, four hours of continuous cornball music with four-bar modulations between songs. Lester Lanin, Meyer Davis — he played with them all.

He learned the oboe. Anybody who could read well on four instruments could make real money in those days. Farrell was sitting with his oboe in a 60-piece orchestra accompanying Tony Bennett. Guess who had the first note. All alone. The baton came down. Silence. It came down again. They were all looking at him. He made it on the sixth take.

He earned up to \$10,000 a month, three record dates a day, blew with Elvin Jones at night. He bought a Manhattan brownstone.

His fluid improvisations and personal sound on flute or soprano sax, playing the melody in unison with Corea's piano, were central to Return to Forever's successful and powerful fusion in the early '70s. He formed his own group, recorded albums that sold, played with Woody Herman, Thad Jones/Mel Lewis, Herbie Hancock, John McLaughlin, Santana, Al Kooper.

"But then I stopped looking for the contractor and started looking for the dealer. I moved to Los Angeles and thought I could make it bigger out there but it didn't happen. I was concentrating on something else. I was totally out of control."

"I was hanging out with this lady who was into gambling — gorgeous lady. We used to go to Gardens, California, and play poker. It's just like dope. We'd sit at the table for three days without stopping except to go to the bathroom or when all the money was gone. It's a losing proposition."

He sold the townhouse, his wife of 16 years divorced him, he pawned one instrument after another, the "gorgeous lady" dropped to less than 100 pounds. One day he found himself sleeping alone under the bridge.

He pulled himself together. Last year he toured Europe with the pianist Joanne Brackeen. He formed a new quartet with an aggressive, hungry young rhythm section, and they are working — just a Tuesday here and a weekend there around Los Angeles, but they have an agent and a week in the prestigious New York club Lush Life next month: "I guess it's called a comeback."

Chain-smoking ("I can't give up everything"), he speaks with the same sort of warm, volatile intensity with which he plays. "It's amazing, brainwaves or something, you get what you give. I started to practice the flute again and a Japanese manufacturer gave me a \$4,000 flute. A photographer gave me \$500 worth of publicity photos I couldn't afford to buy. A record I made years ago in Europe is finally being released in the States. Things just started to come my way again."

"I wake up around seven, take a shower, get dressed, eat breakfast, and then I go out and hike in the hills, walk on the beach — whatever. I just think about what's exactly in front of me. I do what I have to do."

Joe Farrell/Woody Shaw Quintet: Palermo, Italy, March 14; Perugia, March 15; Reggio Emilia, March 16; Tarrasa, Spain, March 17; Madrid, March 18; Marburg,



Joe Farrell

West Germany, March 19; Stockholm, March 20 and 21; London, March 22; Amsterdam, March 23; Rotterdam, March 25; West Berlin, March 26; Hamburg, March 27; Copenhagen, March 28.

## Daughter's Book Saddens Actress

The Associated Press

NEW YORK — Bette Davis says she's sad her daughter is writing a book about life in a celebrity family but the actress isn't afraid of what she will reveal. "I don't know what it says and we'll just have to wait and see," Davis, 76, said in the April issue of the Ladies Home Journal.

She said she does not expect to be treated like her frequent co-star, Joan Crawford, was in "Mommy Dearest," an expose by that actress' adopted daughter, Christina.

"My Mother's Keeper," by Davis' daughter, Barbara, is scheduled to be published in May by William Morrow.

# Italian Designers Forsake Macho Woman

By Hilde Dorsey  
International Herald Tribune

MILAN — The fashion pendulum is swinging sharply back in Milan, marking the end of the macho woman, as the ready-to-wear winter collections this week

## MILAN FASHIONS

demonstrate. Where last year there was nothing but pants, this season is all about Eve.

Milan designers, long famous for their deluxe sportswear, are braiding into the so-called "new couture" as if to show that they can compete with Paris. So far this is a season of elaborate cutting and draping, fancy fabrics and a large-scale foray into evening wear — all but unknown here not so long ago.

Color is the next most important story, in a logical follow-up on last spring's color explosion. One has only to see the windows in New York, Paris and Milan, bursting with pink (a winner), turquoise and yellow, to know that color is here to stay a while.

The silhouette is still strong, but droopier, rounded shoulders have replaced the superwoman block-buster look. Hemlines are a tie between above-the-knee and dragging-to-the-ankle. Gianfranco Ferré did both, with long coats over short skirts. Legs are interesting: either solid-color, including red and purple at Krizia, or patterned, with Op Art waves at Ferré. Shoes are divided between flat crepe soles and spiky heels.

The impeccable hairdos, makeup and accessories, including lots of gloves, contribute to the new-couture feeling. There are still plenty of pants around, but they are the skinny, tight, ski-wear variety, which also turned up for evening in black velvet, satin or gold lamé. The three most important influences so far are all from Paris: Jean-Paul Gaultier's tapestry-look sweaters, Claude Montana's primary-color coats and Azzedine Alaïa's hourglass shape.

If Gianni Versace would only forget about boots, which look tacky outside winter resorts, he would have an almost perfect collection, whose main merit is that it is strongly focused. These clothes are definitely not for career women

but for those whose lives revolve around wealth.

Versace has done his homework. From suits to evening dresses, the collection shows research on cuts and techniques. Lynn Manulis, president of the Martha luxury boutiques in New York and Palm Beach, said: "Versace's is a very young and modern approach to important dressing. I liked it very much because he is talking to the woman who really wants to dress up, and he does it without being pompous."

Using a lot of velvet, Versace showed opulent suits topped by three-quarter-length coats. Dots, from pinpoint to dollar-sized, were everywhere, including on black velvet pumps. One of his most interesting ideas was butterfly collars, big and wide and framing the face. He showed them on coats and on long satin evening dresses. He also mixed bright and dark colors, such as deep claret with bright blue. His evening look is distinctly on the romantic side: crepe blouses sliding off black lace blouses, and a strong Klimt inspiration when it came to prints and embroidery.

Ferré is a serious designer who wants to be taken seriously — which can be good and bad. The good part is that he is the closest in Milan to delivering beautifully made, new-couture clothes. The bad part is that he can come on a bit heavy, not to say stuffy.

He handled the long colored coats with ease, and delivered the best chemise dress in Milan: Made of purple crepe, it had a floating, elegant back. He showed a lot of color, including bright short coats — red, purple, green or yellow — over gray suits that looked like leftovers from the Chinese Cultural Revolution.

Like Versace, he paid a lot of attention to the neck, with sculptural taffeta scarves in bright turquoise draped over black dresses. Pants ranged from cropped and casual to full-flowing. Many were high-waisted, giving women an extra-leggy look. The best part of this collection was the coats with drawstring backs.

Mariuccia Mandelli, who designs the Krizia collection, showed the strongest square shoulders in town. Her suits were sharp and



Evening dress of black lace under crepe by Versace.

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ART DIRECTOR: MANDO MELLO - FOTO: ARTHUR ELGORT - ART WORK: ALAS



NYSE Most Actives					
Symbol	Vol.	High	Low	Close	Chg.
Phil	1,242,712	124.75	124.50	124.75	+
IBM	1,145,000	114.50	114.25	114.50	+
Amgen	1,145,000	114.50	114.25	114.50	+
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Dow Jones Averages					
Index	Open	High	Low	Close	Chg.
Indus	2864.7	2872.0	2862.0	2865.0	-1.1
Transp	1072.0	1075.0	1070.0	1072.0	-1.0
Comp	515.1	517.0	513.0	515.0	-1.0

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Monday's  
**NYSE**  
Closing

Vol. at 3 P.M. 71,130,000  
Prev. 3 P.M. vol. 61,300,000  
Prev. consolidated close 122,922,000

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.  
Via The Associated Press

AMEX Diaries					
Index	Open	High	Low	Close	Chg.
Advanced	10.0	10.5	9.5	10.0	0.0
Declined	10.0	10.5	9.5	10.0	0.0
Unchanged	10.0	10.5	9.5	10.0	0.0
Total Issues	10.0	10.5	9.5	10.0	0.0
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## Volume Turns Lower on NYSE

**NEW YORK** — The stock market turned mixed late Monday in moderate trading, with investors restrained by a number of uncertainties. The Dow Jones industrial average was up 0.99, to 1,270.65, an hour before the close. The Dow had been slightly lower most of the session after starting out higher.

Declines led advances 856-592 among the 1,940 issues crossing the NYSE tape. The five-hour Big Board volume fell to about 71.3 million shares from 81.2 million in the same period Friday.

Analysts said the U.S. dollar and interest rates were twin concerns for investors. Eugene Peroni, of Bateman Eichler, Hill

He said the advance could be renewed when corporate earnings exceed analysts' forecasts, which in many cases were downgraded.

"Reality has fallen short of what the market had been anticipating," said Monte Gordon of Dreyfus Corp. He said the budget deficit appears to be getting bigger, not smaller.

"The strong dollar and the trade deficit have moved to center stage," Mr. Gordon said. He added that people are realizing inflation is low because more goods are coming in from overseas, including high technology products.

The end result, Mr. Gordon said, is that many of the same problems that worried investors in 1984 continue to exist and the result is uncertainty about where things go from here.

Despite the negative assessment, Mr. Gordon said he expects the stock market to hold in a roughly a 1,250-1,300 trading range on the Dow index with a pattern of chopiness likely to continue for a while.

Phillips Petroleum was near the top of the active list and lower at midday. A block of 627,000 shares crossed the tape at 48 1/4. There were blocks of 300,000 shares at 49 1/4 and 350,000 shares crossed at 49 1/4.

Actively traded IBM was higher at mid-session. Digital Equipment also moved higher. Data General had a sharp loss at midday and Texas Instruments also lost ground.

Castle & Cooke was lower on heavy volume. The company said Friday it has been talking about the possibility of a merger with another concern which it did not identify. Castle & Cooke has been talking with lenders about restructuring \$250 million in debt.

General Motors and Ford were fractionally lower at midday.

Richards in Los Angeles, pointed out that volume had slowed considerably from the heavy pace seen since the first of the year. He said some professional investors may be waiting for a new entry point below present levels before they begin buying stocks.

Uncertainty over interest rates was a major problem, Mr. Peroni said. Although the Federal Reserve has insisted it is not tightening credit, he said, some investors are worried about the possibility nevertheless.


"The euphoria of January has dissipated and is no longer present," Mr. Peroni added. "The market is fully consolidated following the January runup, and does not have the spark of any particular motivation."

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STOCKS AND OPTIONS

Link - Abroad

Firm - Glo

Currency Rates

Interest Rates

Gold Price



ESDAY, MARCH 12, 1985

FUTURES AND OPTIONS

rowing Links Abroad Ease  
S. Futures Firms' Gloom

By H.J. MAIDENBERG  
New York Times Service

NEW YORK — As the Futures Industry Association concluded its 10th annual meeting this past weekend in Boca Raton, Florida, the mood of most of the 1,200 people was somber. It reflected the industry's narrow profit margins, squeezed between falling brokerage commissions and rising overhead.

Commission income is being shrunk by widespread discounting and many lamented that even the "full-service" brokers are engaged in price cutting.

At these problems aside, the conference for the first time underscored the expanding role of the futures and options markets.

The Philadelphia Exchange was added to association's roster of exchanges, acknowledging that nation's growing importance as a foreign currency market. It also underscored the rapid integration of securities and futures markets.

Europeans are  
keenly interested  
because of their  
U.S. investments.

Inviting Britain's ambassador to the United States, Sir Peter Wright, to be a keynote speaker, the industry also acknowledged the increased importance and influence of foreign exchanges on domestic markets. The conference was the first in which officials of the London International Financial Futures Exchange attended as members.

Because of their vastly increased investments in American equities and debt instruments, European financial institutions are taking a keen interest in the American financial and index futures and options markets, said Michael N.H. Jenkins, chief executive of the London exchange. "We rather think this interest is starting to have some of an influence on Chicago financial and index futures markets."

Jenkins referred to the fact that more traders in London Chicago are using each other's Treasury bond, Eurodollar, other futures markets for laying off, or hedging positions. Philadelphia foreign exchange options market, he said, "is a beneficiary of the expanding trans-Atlantic trade in currencies."

NEGOTIATIONS are under way to link his exchange's foreign currency market with the Philadelphia exchange, Mr. Jenkins said.

The Futures Industry conference also witnessed the signing of agreement between New York's Commodity Exchange and Sydney Futures Exchange in Australia. The agreement affords its members "mutual offset" privileges, enabling traders to, for example, buy a gold futures contract in one market and sell the other, thus greatly extending the trading day.

Henry Maringer, a specialist in international futures trading, observed that merely creating linkages between foreign exchanges would not serve the hedging needs of institutional money managers.

The answer is not a 24-hour market, but rather a uniform set of trading rules and options," Mr. Maringer said. "Most vital and institutional traders and hedgers are still nervous at entering into strange markets. They want to do business by the rules and legal systems they are comfortable with. Having standardized trading rules should thus be a top priority."

International futures traders are also concerned with liquidity, Maringer said. "This is particularly true of those who hedge large amounts of contracts," he said. "Thus far, the Chicago market is by far the liquid markets."

Kok Song, chairman of the Singapore International Money Exchange, agreed, but noted: "Singapore's financial market is liquid because, we estimate, our market, which consists of 50 domestic and foreign financial houses, can draw on some \$1 billion of Asia's so-called 'hidden dollar' assets."

As it is," he said, "our daily foreign exchange turnover runs \$3 billion."

(Continued on Page 19, Col. 4)

Currency Rates

Late interbank rates on March 11, excluding fees.

100 U.S. dollars for:

Currency	Rate	Change
British pound	1.6025	+0.0005
West German mark	1.4825	+0.0005
French franc	6.5595	+0.0005
Italian lira	1,936.27	+0.0005
Japanese yen	163.64	+0.0005
Swiss franc	2.0375	+0.0005
Canadian dollar	0.7425	+0.0005
Australian dollar	0.6825	+0.0005
New Zealand dollar	0.4525	+0.0005
South African rand	1.6625	+0.0005
Portuguese escudo	200.48	+0.0005
Spanish peseta	166.64	+0.0005
Belgian franc	36.3635	+0.0005
Dutch guilder	3.6035	+0.0005
Scandinavian currencies	Not quoted	

Dollar Values

Currency	U.S. \$	Local	U.S. \$	Local
Australia	1.4825	100	1.4825	100
Canada	0.7425	100	0.7425	100
France	6.5595	100	6.5595	100
Germany	1.4825	100	1.4825	100
Italy	1,936.27	100	1,936.27	100
Japan	163.64	100	163.64	100
Switzerland	2.0375	100	2.0375	100
UK	1.6025	100	1.6025	100
Spain	166.64	100	166.64	100
South Africa	1.6625	100	1.6625	100
Sweden	4.6625	100	4.6625	100
Denmark	4.6625	100	4.6625	100
Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100
Spain	166.64	100	166.64	100
Sweden	4.6625	100	4.6625	100
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Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100
Spain	166.64	100	166.64	100
Sweden	4.6625	100	4.6625	100
Denmark	4.6625	100	4.6625	100
Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100
Spain	166.64	100	166.64	100
Sweden	4.6625	100	4.6625	100
Denmark	4.6625	100	4.6625	100
Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100
Spain	166.64	100	166.64	100
Sweden	4.6625	100	4.6625	100
Denmark	4.6625	100	4.6625	100
Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100
Spain	166.64	100	166.64	100
Sweden	4.6625	100	4.6625	100
Denmark	4.6625	100	4.6625	100
Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100
Spain	166.64	100	166.64	100
Sweden	4.6625	100	4.6625	100
Denmark	4.6625	100	4.6625	100
Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100
Spain	166.64	100	166.64	100
Sweden	4.6625	100	4.6625	100
Denmark	4.6625	100	4.6625	100
Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100
Spain	166.64	100	166.64	100
Sweden	4.6625	100	4.6625	100
Denmark	4.6625	100	4.6625	100
Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100
Spain	166.64	100	166.64	100
Sweden	4.6625	100	4.6625	100
Denmark	4.6625	100	4.6625	100
Norway	4.6625	100	4.6625	100
Finland	4.6625	100	4.6625	100
Belgium	36.3635	100	36.3635	100
Netherlands	3.6035	100	3.6035	100
Portugal	200.48	100	200.48	100
Greece	340.75	100	340.75	100











Vol. at 3 P.M.	5,750,000
Prev. 3 P.M. vol.	N.A.
Prev. consolidated close	7,450,000

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.  
*Via The Associated Press*

[illegible][illegible][illegible]

Year	Month	Day	Time	Place	Score	Rank	Notes
1909	Jan	1	10:00	St. Louis	100	1	Perfect
1909	Jan	2	10:00	St. Louis	95	2	Good
1909	Jan	3	10:00	St. Louis	90	3	Good
1909	Jan	4	10:00	St. Louis	85	4	Good
1909	Jan	5	10:00	St. Louis	80	5	Good
1909	Jan	6	10:00	St. Louis	75	6	Good
1909	Jan	7	10:00	St. Louis	70	7	Good
1909	Jan	8	10:00	St. Louis	65	8	Good
1909	Jan	9	10:00	St. Louis	60	9	Good
1909	Jan	10	10:00	St. Louis	55	10	Good
1909	Jan	11	10:00	St. Louis	50	11	Good
1909	Jan	12	10:00	St. Louis	45	12	Good
1909	Jan	13	10:00	St. Louis	40	13	Good
1909	Jan	14	10:00	St. Louis	35	14	Good
1909	Jan	15	10:00	St. Louis	30	15	Good
1909	Jan	16	10:00	St. Louis	25	16	Good
1909	Jan	17	10:00	St. Louis	20	17	Good
1909	Jan	18	10:00	St. Louis	15	18	Good
1909	Jan	19	10:00	St. Louis	10	19	Good
1909	Jan	20	10:00	St. Louis	5	20	Good
1909	Jan	21	10:00	St. Louis	0	21	Good
1909	Jan	22	10:00	St. Louis	0	22	Good
1909	Jan	23	10:00	St. Louis	0	23	Good
1909	Jan	24	10:00	St. Louis	0	24	Good
1909	Jan	25	10:00	St. Louis	0	25	Good
1909	Jan	26	10:00	St. Louis	0	26	Good
1909	Jan	27	10:00	St. Louis	0	27	Good
1909	Jan	28	10:00	St. Louis	0	28	Good
1909	Jan	29	10:00	St. Louis	0	29	Good
1909	Jan	30	10:00	St. Louis	0	30	Good
1909	Jan	31	10:00	St. Louis	0	31	Good
1909	Feb	1	10:00	St. Louis	0	32	Good
1909	Feb	2	10:00	St. Louis	0	33	Good
1909	Feb	3	10:00	St. Louis	0	34	Good
1909	Feb	4	10:00	St. Louis	0	35	Good
1909	Feb	5	10:00	St. Louis	0	36	Good
1909	Feb	6	10:00	St. Louis	0	37	Good
1909	Feb	7	10:00	St. Louis	0	38	Good
1909	Feb	8	10:00	St. Louis	0	39	Good
1909	Feb	9	10:00	St. Louis	0	40	Good
1909	Feb	10	10:00	St. Louis	0	41	Good
1909	Feb	11	10:00	St. Louis	0	42	Good
1909	Feb	12	10:00	St. Louis	0	43	Good
1909	Feb	13	10:00	St. Louis	0	44	Good
1909	Feb	14	10:00	St. Louis	0	45	Good
1909	Feb	15	10:00	St. Louis	0	46	Good
1909	Feb	16	10:00	St. Louis	0	47	Good
1909	Feb	17	10:00	St. Louis	0	48	Good
1909	Feb	18	10:00	St. Louis	0	49	Good
1909	Feb	19	10:00	St. Louis	0	50	Good
1909	Feb	20	10:00	St. Louis	0	51	Good
1909	Feb	21	10:00	St. Louis	0	52	Good
1909	Feb	22	10:00	St. Louis	0	53	Good
1909	Feb	23	10:00	St. Louis	0	54	Good
1909	Feb	24	10:00	St. Louis	0	55	Good
1909	Feb	25	10:00	St. Louis	0	56	Good
1909	Feb	26	10:00	St. Louis	0	57	Good
1909	Feb	27	10:00	St. Louis	0	58	Good
1909	Feb	28	10:00	St. Louis	0	59	Good
1909	Feb	29	10:00	St. Louis	0	60	Good
1909	Feb	30	10:00	St. Louis	0	61	Good
1909	Feb	31	10:00	St. Louis	0	62	Good
1909	Mar	1	10:00	St. Louis	0	63	

[illegible][illegible]

## Over-the-Counter

**NASDAQ National Market Prices****March 11**

Series		High Low 3 P.M. Close		Net		5	
		A					
ALAM Fd						BoyleP	1,200
ALB	23	226	234	6	6	BoyleV	1,200
ALC		234	234	0	0	BoyleV	1,200
ALD		234	234	0	0	BoyleV	1,200
ALE		234	234	0	0	BoyleV	1,200
ALF		234	234	0	0	BoyleV	1,200
ALG		234	234	0	0	BoyleV	1,200
ALH		234	234	0	0	BoyleV	1,200
ALI		234	234	0	0	BoyleV	1,200
ALJ		234	234	0	0	BoyleV	1,200
ALK		234	234	0	0	BoyleV	1,200
ALM		234	234	0	0	BoyleV	1,200
ALN		234	234	0	0	BoyleV	1,200
ALO		234	234	0	0	BoyleV	1,200
ALP		234	234	0	0	BoyleV	1,200
ALQ		234	234	0	0	BoyleV	1,200
ALR		234	234	0	0	BoyleV	1,200
ALS		234	234	0	0	BoyleV	1,200
ALT		234	234	0	0	BoyleV	1,200
ALU		234	234	0	0	BoyleV	1,200
ALV		234	234	0	0	BoyleV	1,200
ALW		234	234	0	0	BoyleV	1,200
ALX		234	234	0	0	BoyleV	1,200
ALY		234	234	0	0	BoyleV	1,200
ALZ		234	234	0	0	BoyleV	1,200
ALAA		234	234	0	0	BoyleV	1,200
ALAB		234	234	0	0	BoyleV	1,200
ALAC		234	234	0	0	BoyleV	1,200
ALAD		234	234	0	0	BoyleV	1,200
ALAE		234	234	0	0	BoyleV	1,200
ALAF		234	234	0	0	BoyleV	1,200
ALAG		234	234	0	0	BoyleV	1,200
ALAH		234	234	0	0	BoyleV	1,200
ALAI		234	234	0	0	BoyleV	1,200
ALAJ		234	234	0	0	BoyleV	1,200
ALAK		234	234	0	0	BoyleV	1,200
ALAL		234	234	0	0	BoyleV	1,200
ALAM		234	234	0	0	BoyleV	1,200
ALAN		234	234	0	0	BoyleV	1,200
ALAO		234	234	0	0	BoyleV	1,200
ALAP		234	234	0	0	BoyleV	1,200
ALAQ		234	234	0	0	BoyleV	1,200
ALAR		234	234	0	0	BoyleV	1,200
ALAS		234	234	0	0	BoyleV	1,200
ALAT		234	234	0	0	BoyleV	1,200
ALAU		234	234	0	0	BoyleV	1,200
ALAV		234	234	0	0	BoyleV	1,200
ALAW		234	234	0	0	BoyleV	1,200
ALAX		234	234	0	0	BoyleV	1,200
ALAY		234	234	0	0	BoyleV	1,200
ALAZ		234	234	0	0	BoyleV	1,200
ALBA		234	234	0	0	BoyleV	1,200
ALBB		234	234	0	0	BoyleV	1,200
ALBC		234	234	0	0	BoyleV	1,200
ALBD		234	234	0	0	BoyleV	1,200
ALBE		234	234	0	0	BoyleV	1,200
ALBF		234	234	0	0	BoyleV	1,200
ALBG		234	234	0	0	BoyleV	1,200
ALBH		234	234	0	0	BoyleV	1,200
ALBI		234	234	0	0	BoyleV	1,200
ALBJ		234	234	0	0	BoyleV	1,200
ALBK		234	234	0	0	BoyleV	1,200
ALBL		234	234	0	0	BoyleV	1,200
ALBM		234	234	0	0	BoyleV	1,200
ALBN		234	234	0	0	BoyleV	1,200
ALBO		234	234	0	0	BoyleV	1,200
ALBP		234	234	0	0	BoyleV	1,200
ALBQ		234	234	0	0	BoyleV	1,200
ALBR		234	234	0	0	BoyleV	1,200
ALBS		234	234	0	0	BoyleV	1,200
ALBT		234	234	0	0	BoyleV	1,200
ALBU		234	234	0	0	BoyleV	1,200
ALBV		234	234	0	0	BoyleV	1,200
ALBW		234	234	0	0	BoyleV	1,200
ALBX		234	234	0	0	BoyleV	1,200
ALBY		234	234	0	0	BoyleV	1,200
ALBZ		234	234	0	0	BoyleV	1,200
ALCA		234	234	0	0	BoyleV	1,200
ALCB		234	234	0	0	BoyleV	1,200
ALCC		234	234	0	0	BoyleV	1,200
ALCD		234	234	0	0	BoyleV	1,200
ALCE		234	234	0	0	BoyleV	1,200
ALCF		234	234	0	0	BoyleV	1,200
ALCG		234	234	0	0	BoyleV	1,200
ALCH		234	234	0	0	BoyleV	1,200
ALCI		234	234	0	0	BoyleV	1,200
ALCJ		234	234	0	0	BoyleV	1,200
ALCK		234	234	0	0	BoyleV	1,200
ALCL		234	234	0	0	BoyleV	1,200
ALCM		234	234	0	0	BoyleV	1,200
ALCN		234	234	0	0	BoyleV	1,200
ALCO		234	234	0	0	BoyleV	1,200
ALCP		234	234	0	0	BoyleV	1,200
ALCQ		234	234	0	0	BoyleV	1,200
ALCR		234	234	0	0	BoyleV	1,200
ALCS		234	234	0	0	BoyleV	1,200
ALCT		234	234	0	0	BoyleV	1,200
ALCU		234	234	0	0	BoyleV	1,200
ALCV		234	234	0	0	BoyleV	1,200
ALCW		234	234	0	0	BoyleV	1,200
ALCX		234	234	0	0	BoyleV	1,200
ALCY		234	234	0	0	BoyleV	1,200
ALCZ		234	234	0	0	BoyleV	1,200
ALDA		234	234	0	0	BoyleV	1,200
ALDB		234	234	0	0	BoyleV	1,200
ALDC		234	234	0	0	BoyleV	1,200
ALDD		234	234	0	0	BoyleV	1,200
ALDE		234	234	0	0	BoyleV	1,200
ALDF		234	234	0	0	BoyleV	1,200
ALDG		234	234	0	0	BoyleV	1,200
ALDH		234	234	0	0	BoyleV	1,200
ALDI		234	234	0	0	BoyleV	1,200
ALDJ		234	234	0	0	BoyleV	1,200
ALDK		234	234	0	0	BoyleV	1,200
ALDL		234	234	0	0	BoyleV	1,200
ALDM		234	234	0	0	BoyleV	1,200
ALDN		234	234	0	0	BoyleV	1,200
ALDO		234	234	0	0	BoyleV	1,200
ALDP		234	234	0	0	BoyleV	1,200
ALDQ		234	234	0	0	BoyleV	1,200
ALDR		234	234	0	0	BoyleV	1,200
ALDS		234	234	0	0	BoyleV	1,200
ALDT		234	234	0	0	BoyleV	1,200
ALDU		234	234	0	0	BoyleV	1,200
ALDV		234	234	0	0	BoyleV	1,200
ALDW		234	234	0	0	BoyleV	1,200
ALDX		234	234	0	0	BoyleV	1,200
ALDY		234	234	0	0	BoyleV	1,200
ALDZ		234	234	0	0	BoyleV	1,200
ALEA		234	234	0	0	BoyleV	1,200
ALEB		234	234	0	0	BoyleV	1,200
ALEC		234	234	0	0	BoyleV	1,200
ALED		234	234	0	0	BoyleV	1,200
ALEF		234	234	0	0	BoyleV	1,200
ALEG		234	234	0	0	BoyleV	1,200
ALEH		234	234	0	0	BoyleV	1,200
ALEI		234	234	0	0	BoyleV	1,200
ALEJ		234	234	0	0	BoyleV	1,200
ALEK		234	234	0	0	BoyleV	1,200
ALEL		234	234	0	0	BoyleV	1,200
ALEM		234	234	0	0	BoyleV	1,200
ALEN		234	234	0	0	BoyleV	1,200
ALEO		234	234	0	0	BoyleV	1,200
ALEP		234	234	0	0	BoyleV	1,200
ALEQ		234	234	0	0	BoyleV	1,200
ALER		234	234	0	0	BoyleV	1,200
ALES		234	234	0	0	BoyleV	1,200
ALET		234	234	0	0	BoyleV	1,200
ALFU		234	234	0	0	BoyleV	1,200
ALFV		234	234	0	0	BoyleV	1,200
ALFW		234	234	0	0	BoyleV	1,200
ALFX		234	234	0	0	BoyleV	1,200
ALFY		234	234	0	0	BoyleV	1,200
ALFZ		234	234	0	0	BoyleV	1,200
ALGA		234	234	0	0	BoyleV	1,200
ALGB		234	234	0	0	BoyleV	1,200
ALGC		234	234	0	0	BoyleV	1,200
ALGD		234	234	0	0	BoyleV	1,200
ALGE		234	234	0	0	BoyleV	1,200
ALGF		234	234	0	0	BoyleV	1,200
ALGG		234	234	0	0	BoyleV	1,200
ALGH		234	234	0	0	BoyleV	1,200
ALGI		234	234	0	0	BoyleV	1,200
ALGJ		234	234	0	0	BoyleV	1,200
ALGK		234	234	0	0	BoyleV	1,200
ALGL		234	234	0	0	BoyleV	1,200
ALGM		234	234	0	0	BoyleV	1,200
ALGN		234	234	0	0	BoyleV	1,200
ALGO		234	234	0	0	BoyleV	1,200
ALGP		234	234	0	0	BoyleV	1,200
ALGQ		234	234	0	0	BoyleV	1,200
ALGR		234	234	0	0	BoyleV	1,200
ALGS		234	234	0	0	BoyleV	1,200
ALGT		234	234	0	0	BoyleV	1,200
ALGU		234	234	0	0	BoyleV	1,200
ALGV		234	234	0	0	BoyleV	1,200
ALGW		234	234	0	0	BoyleV	1,200
ALGX		234	234	0	0	BoyleV	1,200
ALGY		234	234	0	0	BoyleV	1,200
ALGZ		234	234	0	0	BoyleV	1,200
ALHA		234	234	0	0	BoyleV	1,200
ALHB		234	234	0	0	BoyleV	1,200
ALHC		234	234	0	0	BoyleV	1,200
ALHD		234	234	0	0	BoyleV	1,200
ALHE		234	234	0	0	BoyleV	1,200
ALHF		234	234	0	0	BoyleV	1,200
ALHG		234	234	0	0	BoyleV	1,200
ALHH		234	234	0	0	BoyleV	1,200
ALHI		234	234	0	0	BoyleV	1,200
ALHJ		234	234	0	0	BoyleV	1,200
ALHK		234	234	0	0	BoyleV	1,200
ALHL		234	234	0	0	BoyleV	1,200
ALHM		234	234	0	0	BoyleV	1,200
ALHN		234	234	0	0	BoyleV	1,200
ALHO		234	234	0	0	BoyleV	1,200
ALHP		234	234	0	0	BoyleV	1,200
ALHQ		234	234	0	0	BoyleV	1,200
ALHR		234	234	0	0	BoyleV	1,200
ALHS		234	234	0	0	BoyleV	1,200
ALHT		234	234	0	0	BoyleV	1,200
ALHU		234	234	0	0	BoyleV	1,200
ALHV		234	234	0	0		

Year	High	Low	3 P.A.C.	Comp.	Net	Chrysa	Chrysa	Chrysa
23	35	29	35	35	35	15	15	15
24	35	29	35	35	35	15	15	15
25	35	29	35	35	35	15	15	15
26	35	29	35	35	35	15	15	15
27	35	29	35	35	35	15	15	15
28	35	29	35	35	35	15	15	15
29	35	29	35	35	35	15	15	15
30	35	29	35	35	35	15	15	15
31	35	29	35	35	35	15	15	15
32	35	29	35	35	35	15	15	15
33	35	29	35	35	35	15	15	15
34	35	29	35	35	35	15	15	15
35	35	29	35	35	35	15	15	15
36	35	29	35	35	35	15	15	15
37	35	29	35	35	35	15	15	15
38	35	29	35	35	35	15	15	15
39	35	29	35	35	35	15	15	15
40	35	29	35	35	35	15	15	15
41	35	29	35	35	35	15	15	15
42	35	29	35	35	35	15	15	15
43	35	29	35	35	35	15	15	15
44	35	29	35	35	35	15	15	15
45	35	29	35	35	35	15	15	15
46	35	29	35	35	35	15	15	15
47	35	29	35	35	35	15	15	15
48	35	29	35	35	35	15	15	15
49	35	29	35	35	35	15	15	15
50	35	29	35	35	35	15	15	15
51	35	29	35	35	35	15	15	15
52	35	29	35	35	35	15	15	15
53	35	29	35	35	35	15	15	15
54	35	29	35	35	35	15	15	15
55	35	29	35	35	35	15	15	15
56	35	29	35	35	35	15	15	15
57	35	29	35	35	35	15	15	15
58	35	29	35	35	35	15	15	15
59	35	29	35	35	35	15	15	15
60	35	29	35	35	35	15	15	15
61	35	29	35	35	35	15	15	15
62	35	29	35	35	35	15	15	15
63	35	29	35	35	35	15	15	15
64	35	29	35	35	35	15	15	15
65	35	29	35	35	35	15	15	15
66	35	29	35	35	35	15	15	15
67	35	29	35	35	35	15	15	15
68	35	29	35	35	35	15	15	15
69	35	29	35	35	35	15	15	15
70	35	29	35	35	35	15	15	15
71	35	29	35	35	35	15	15	15
72	35	29	35	35	35	15	15	15
73	35	29	35	35	35	15	15	15
74	35	29	35	35	35	15	15	15
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76	35	29	35	35	35	15	15	15
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88	35	29	35	35	35	15	15	15
89	35	29	35	35	35	15	15	15
90	35	29	35	35	35	15	15	15
91	35	29	35	35	35	15	15	15
92	35	29	35	35	35	15	15	15
93	35	29	35	35	35	15	15	15
94	35	29	35	35	35	15	15	15
95	35	29	35	35	35	15	15	15
96	35	29	35	35	35	15	15	15
97	35	29	35	35	35	15	15	15
98	35	29	35	35	35	15	15	15
99	35	29	35	35	35	15	15	15
100	35	29	35	35	35	15	15	15

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1971	1.05	1971	1.05	1971	1.05	1971	1.05	1971	1.05	1971	1.05
1972	1.10	1972	1.10	1972	1.10	1972	1.10	1972	1.10	1972	1.10
1973	1.15	1973	1.15	1973	1.15	1973	1.15	1973	1.15	1973	1.15
1974	1.20	1974	1.20	1974	1.20	1974	1.20	1974	1.20	1974	1.20
1975	1.25	1975	1.25	1975	1.25	1975	1.25	1975	1.25	1975	1.25
1976	1.30	1976	1.30	1976	1.30	1976	1.30	1976	1.30	1976	1.30
1977	1.35	1977	1.35	1977	1.35	1977	1.35	1977	1.35	1977	1.35
1978	1.40	1978	1.40	1978	1.40	1978	1.40	1978	1.40	1978	1.40
1979	1.45	1979	1.45	1979	1.45	1979	1.45	1979	1.45	1979	1.45
1980	1.50	1980	1.50	1980	1.50	1980	1.50	1980	1.50	1980	1.50
1981	1.55	1981	1.55	1981	1.55	1981	1.55	1981	1.55	1981	1.55
1982	1.60	1982	1.60	1982	1.60	1982	1.60	1982	1.60	1982	1.60
1983	1.65	1983	1.65	1983	1.65	1983	1.65	1983	1.65	1983	1.65
1984	1.70	1984	1.70	1984	1.70	1984	1.70	1984	1.70	1984	1.70
1985	1.75	1985	1.75	1985	1.75	1985	1.75	1985	1.75	1985	1.75
1986	1.80	1986	1.80	1986	1.80	1986	1.80	1986	1.80	1986	1.80
1987	1.85	1987	1.85	1987	1.85	1987	1.85	1987	1.85	1987	1.85
1988	1.90	1988	1.90	1988	1.90	1988	1.90	1988	1.90	1988	1.90
1989	1.95	1989	1.95	1989	1.95	1989	1.95	1989	1.95	1989	1.95
1990	2.00	1990	2.00	1990	2.00	1990	2.00	1990	2.00	1990	2.00
1991	2.05	1991	2.05	1991	2.05	1991	2.05	1991	2.05	1991	2.05
1992	2.10	1992	2.10	1992	2.10	1992	2.10	1992	2.10	1992	2.10
1993	2.15	1993	2.15	1993	2.15	1993	2.15	1993	2.15	1993	2.15
1994	2.20	1994	2.20	1994	2.20	1994	2.20	1994	2.20	1994	2.20
1995	2.25	1995	2.25	1995	2.25	1995	2.25	1995	2.25	1995	2.25
1996	2.30	1996	2.30	1996	2.30	1996	2.30	1996	2.30	1996	2.30
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2006	2.80	2006	2.80	2006	2.80	2006	2.80	2006	2.80	2006	2.80
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2008	2.90	2008	2.90	2008	2.90	2008	2.90	2008	2.90	2008	2.90
2009	2.95	2009	2.95	2009	2.95	2009	2.95	2009	2.95	2009	2.95
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2013	3.15	2013	3.15	2013	3.15	2013	3.15	2013	3.15	2013	3.15
2014	3.20	2014	3.20	2014	3.20	2014	3.20	2014	3.20	2014	3.20
2015	3.25	2015	3.25	2015	3.25	2015	3.25	2015	3.25	2015	3.25
2016	3.30	2016	3.30	2016	3.30	2016	3.30	2016	3.30	2016	3.30
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2018	3.40	2018	3.40	2018	3.40	2018	3.40	2018	3.40	2018	3.40
2019	3.45	2019	3.45	2019	3.45	2019	3.45	2019	3.45	2019	3.45
2020	3.50	2020	3.50	2020	3.50	2020	3.50	2020	3.50	2020	3.50
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2027	3.85	2027	3.85	2027	3.85	2027	3.85	2027	3.85	2027	3.85
2028	3.90	2028	3.90	2028	3.90	2028	3.90	2028	3.90	2028	3.90
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2030	4.00	2030	4.00	2030	4.00	2030	4.00	2030	4.00	2030	4.00
2031	4.05	2031	4.05	2031	4.05	2031	4.05	2031	4.05	2031	4.05
2032	4.10	2032	4.10	2032	4.10	2032	4.10	2032	4.10	2032	4.10
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2035	4.25	2035	4.25	2035	4.25	2035	4.25	2035	4.25	2035	4.25
2036	4.30	2036	4.30	2036	4.30	2036	4.30	2036	4.30	2036	4.30
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2049	4.95	2049	4.95	2049	4.95	2049	4.95	2049	4.95	2049	4.95
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2054	5.20	2054	5.20	2054	5.20	2054	5.20	2054	5.20	2054	5.20
2055	5.25	2055	5.25	2055	5.25	2055	5.25	2055	5.25	2055	5.25
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2069	5.95	2069	5.95	2069	5.95	2069	5.95	2069	5.95	2069	5.95
2070	6.00	2070	6.00	2070	6.00	2070	6.00	2070	6.00	2070	6.00
2071	6.05	2071	6.05	2071	6.05	2071	6.05	2071	6.05	2071	6.05
2072	6.10	2072	6.10	2072	6.10	2072	6.10	2072	6.10	2072	6.10
2073	6.15	2073	6.15	2073	6.15	2073	6.15	2073	6.15	2073	6.15
2074	6.20	2074	6.20	2074	6.20	2074	6.20	2074	6.20	2074	6.20
2075	6.25	2075	6.25	2075	6.25	2075	6.25	2075	6.25	2075	6.25
2076	6.30	2076	6.30	2076	6.30	2076	6.30	2076	6.30	2076	6.30
2077	6.35	2077	6.35	2077	6.35	2077	6.35	2077	6.35	2077	6.35
2078	6.40	2078	6.40	2078	6.40	2078	6.40	2078	6.40	2078	6.40
2079	6.45	2079	6.45	2079	6.45	2079	6.45	2079	6.45	2079	6.45
2080	6.50	2080	6.50	2080	6.50	2080					

[illegible]

Rank	Name	Age	Height	Weight	Time	Score	Notes
1	John Doe	25	5'10"	180	1:20.25	23	
2	Jane Smith	24	5'8"	165	1:25.10	22	
3	Mike Johnson	26	6'0"	190	1:30.45	21	
4	Sarah Brown	23	5'6"	155	1:35.20	20	
5	David Wilson	27	5'9"	170	1:40.15	19	
6	Emily Davis	22	5'7"	160	1:45.30	18	
7	Robert Miller	28	6'1"	200	1:50.00	17	
8	Laura Garcia	21	5'5"	150	1:55.45	16	
9	Christopher Lee	29	6'2"	210	2:00.10	15	
10	Amanda White	20	5'4"	145	2:05.30	14	
11	Matthew King	30	6'3"	220	2:10.45	13	
12	Olivia Taylor	19	5'3"	140	2:15.20	12	
13	Benjamin Hall	31	6'4"	230	2:20.15	11	
14	Sophia Adams	18	5'2"	135	2:25.40	10	
15	Lucas Baker	32	6'5"	240	2:30.25	9	
16	Mia Nelson	17	5'1"	130	2:35.10	8	
17	Ethan Scott	33	6'6"	250	2:40.35	7	
18	Isabella Green	16	5'0"	125	2:45.20	6	
19	Noah Brown	34	6'7"	260	2:50.45	5	
20	Ava Wilson	15	4'11"	120	2:55.30	4	
21	Liam Taylor	35	6'8"	270	3:00.15	3	
22	Charlotte King	14	4'10"	115	3:05.40	2	
23	Oliver Adams	36	6'9"	280	3:10.25	1	
24	Amelia Baker	13	4'9"	110	3:15.10		
25	Isaac Nelson	37	6'10"	290	3:20.35		
26	Evelyn Scott	12	4'8"	105	3:25.20		
27	Wyatt Green	38	6'11"	300	3:30.45		
28	Madison Brown	11	4'7"	100	3:35.30		
29	Grayson Wilson	39	7'0"	310	3:40.15		
30	Lillian Taylor	10	4'6"	95	3:45.40		
31	Julian King	40	7'1"	320	3:50.25		
32	Grace Adams	9	4'5"	90	3:55.10		
33	Samuel Baker	41	7'2"	330	4:00.35		
34	Hannah Nelson	8	4'4"	85	4:05.20		
35	Isaiah Scott	42	7'3"	340	4:10.45		
36	Chloe Green	7	4'3"	80	4:15.30		
37	Jeremiah Brown	43	7'4"	350	4:20.15		
38	Victoria Wilson	6	4'2"	75	4:25.40		
39	Adrian Taylor	44	7'5"	360	4:30.25		
40	Stephanie King	5	4'1"	70	4:35.10		
41	Jonathan Adams	45	7'6"	370	4:40.35		
42	Madeline Baker	4	4'0"	65	4:45.20		
43	Benjamin Nelson	46	7'7"	380	4:50.45		
44	Abigail Scott	3	3'11"	60	4:55.30		
45	Isaac Green	47	7'8"	390	5:00.15		
46	Emily Brown	2	3'10"	55	5:05.40		
47	Samuel Wilson	48	7'9"	400	5:10.25		
48	Olivia Taylor	1	3'9"	50	5:15.10		
49	Julian King	49	7'10"	410	5:20.35		
50	Grace Adams	0	3'8"	45	5:25.20		

[illegible]

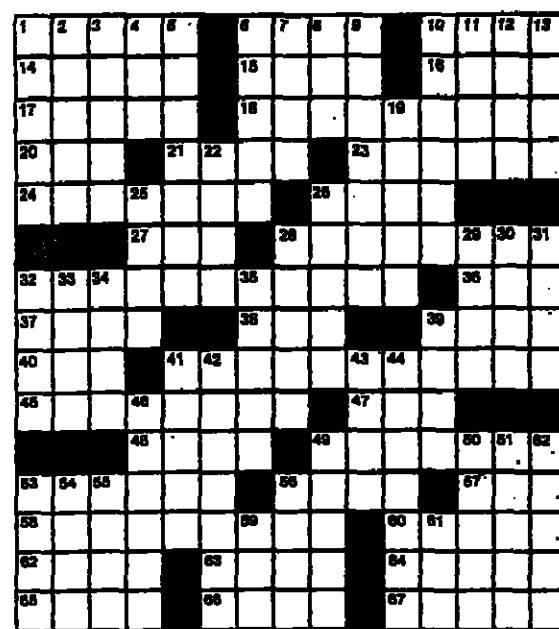
(Continued on Page 21)

هكذا من الأصل









**ACROSS**

1 Sea dogs  
2 Excursion  
3 Distinctive time periods  
4 Con- (lovingly): Mus.  
5 Aborigine in Japan  
6 Poet Ogden  
7 Rabbit  
8 "Decameron" author  
9 Summer time in Sedan  
10 Stream  
11 Sediment  
12 Overly sweet  
13 ICBM or SAM  
14 Ananas, e.g.  
15 Kind of pad  
16 The element  
17 Carbon, e.g.  
18 Boasting  
19 Robin Hood's drink  
20 Be deserving of  
21 Señora Perla  
22 Historic town NW of Moscow  
23 Make do, with "out"  
24 Vatican legate  
25 Miller subjects  
26 Married  
27 Shot toasts  
28 Essay  
29 British martyr-saint

**DOWN**

1 Ove's capital  
2 Fine violin  
3 Easy paces  
4 Three: Prefix  
5 Having awareness of  
6 Postpone  
7 Very funny fellow  
8 It often follows  
9 "Tosca" composer  
10 Bis  
11 Rique  
12 Name on a French map  
13 Did a farmer's job  
14 Where Crockett fell

56 Harris's—Rabbit  
57 Norwegian  
58 Tchaikovsky's "—Italian"  
59 Herbert Hoover, for one  
60 Symbol of Co.  
61 Charged particles  
62 Upstairs  
63 Leaf cutters  
64 Former Venetian magistrate  
65 Challenges  
66 Sodium carbonate, e.g.  
67 Promise to pay  
68 Like a new recruit  
69 Treats contemptuously  
70 Came into being  
71 Haying machine  
72 "Peyton"—  
73 Claims not  
74 U.S.C. rival  
75 Play featuring Sadie Thompson  
76 Type of news or survey  
77 Former Met impresario  
78 Devotee  
79 nobis—pro nobis

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## DENNIS THE MENACE



"THAT ISN'T A COMIC BOOK THEY'RE LAUGHING AT, IT'S OUR WEDDING ALBUM!"

## JUMBLE

Unscramble these four jumbles, one letter to each square, to form four ordinary words.

MYHRE  
CRIHB  
ATTREY  
RUVESS

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: \_\_\_\_\_

Yesterday's Jumble: CROWN STAIR GIBLET MALTED  
Answer: A middle-aged spread is simply this—A WAIST OF TIME

## WEATHER

EUROPE				ASIA			
	HIGH	LOW			HIGH	LOW	
Amsterdam	11	5	F	Bangkok	27	24	
London	11	5	F	Beijing	18	15	
Paris	11	5	F	Calcutta	27	24	
Rome	11	5	F	Delhi	27	24	
Tokyo	11	5	F	Guangzhou	27	24	
Washington	11	5	F	Hong Kong	27	24	
Los Angeles	11	5	F	Kobe	27	24	
San Francisco	11	5	F	Manila	27	24	
Seattle	11	5	F	Shanghai	27	24	
Portland	11	5	F	Singapore	27	24	
San Jose	11	5	F	Taipei	27	24	
San Francisco	11	5	F	Tokyo	27	24	
Seattle	11	5	F				
Portland	11	5	F				
San Jose	11	5	F				
San Francisco	11	5	F				
Seattle	11	5	F				
Portland	11	5	F				
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